

# Goa Carbon Limited



Registered & Corporate Office:

Dempo House, Campal, Panjim - Goa - 403 001., INDIA  
Tel.: +91 (0832) 2441300 Fax: +91 (0832) 2427192  
E-mail: goacarbon@gmail.com Website: www.goacarbon.com  
Corporate Identity Number L23109GA1967PLC000076



Company Scrip Code / Symbol: 509567 / GOACARBON

ISIN Code: INE426D01013

Ref. No.: 2017VII\33

Date: 4<sup>th</sup> July, 2017

The General Manager  
Department of Corporate Services  
**BSE Limited,** ..... Thru' Listing Centre  
25<sup>th</sup> Floor, P. J. Towers, Dalal Street,  
Mumbai 400001

The Listing Department  
**National Stock Exchange of India Ltd.,** ..... Thru' NEAPS  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400051

## Sub.: Submission of Annual Report for the year 2016-17

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the 49<sup>th</sup> Annual Report of our Company for the year 2016-17 containing the Audited Balance Sheet, Profit & Loss Account, Cash Flow Statements together with the Auditors' Report and Directors' Report, Corporate Governance Report, Auditors' Certificate on compliance of conditions of Corporate Governance, Secretarial Audit Report and Management Discussion & Analysis Report for the year ended March 31, 2017 which were approved and adopted at the Annual General Meeting of the Company held on 30<sup>th</sup> June, 2017.

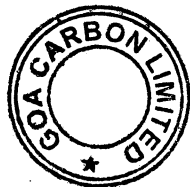
Kindly take the same on record and oblige.

Thanking you,

Yours faithfully,  
For **Goa Carbon Limited**

  
**P. S. Mantri**  
Company Secretary

Encl.: as above.



### Plants :

**GOA** : Tel.: 0832-2860363 to 68, 2860336, 2861052  
Fax: 2860364 E-mail: head\_works@goacarbon.com  
**PARADEEP** : Tel: 07894462761, 09238110372  
E-mail: pcvpster@gmail.com  
**BILASPUR** : Tel.: +91 (07752) 261220, 650720 Fax: +91 (07752) 261115  
E-mail: bsp@goacarbon.com.

ISO 9001:2008

**BUREAU VERITAS**  
Certification



ISO 14001

**BUREAU VERITAS**  
Certification





# **Goa Carbon Limited**

49<sup>th</sup> Annual Report 2016-17



## The Pioneers



**Late Vasant Rao S. Dempo**  
Founder Chairman



**Late 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. Raman Madhok**  
Independent Director



**Dr. A. B. Prasad**  
Independent Director



**Ms. Kiran Dhingra**  
Independent Director



**Mr. Rajesh S. Dempo**  
Non-Executive Director



**Mr. Jagmohan J. Chhabra**  
Executive Director

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<b>Executive Director</b>	:	Jagmohan J. Chhabra
<b>Company Secretary</b>	:	P. S. Mantri
<b>Chief Financial Officer</b>	:	K. Balaraman
<b>Registered Office</b>	:	Dempo House, Campal, Panaji, Goa – 403 001
<b>Plant Locations</b>	:	<b>(Goa Unit)</b> St. Jose de Areal, Salcete, Goa – 403 709 <b>(Bilaspur Unit)</b> 34-40, Sector B, Sirgitti Industrial Area Bilaspur – 495 004 (Chhattisgarh) <b>(Paradeep Unit)</b> Vill. Udayabata, P.O. Paradeepgarh, Dist. Jagatsinghpur, Odisha – 754 142
<b>Statutory Auditors</b>	:	Deloitte Haskins & Sells, Chartered Accountants, Chennai
<b>Registrar &amp; Share Transfer Agents</b>	:	Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
<b>Bankers</b>	:	Bank of India Bank of Baroda

**49<sup>th</sup> Annual General Meeting**  
on Friday, 30<sup>th</sup> June, 2017  
at 10.30 a.m.  
at Dempo House, Campal,  
Panaji, Goa – 403 001

**Support the Company's**  
"Green Initiative"

**Opt for receiving future**  
**Notices/Annual Reports in**  
**electronic mode**

**Please register your consent**  
**for this purpose on**  
**greeninitiative@goacarbon.com**

**This Annual Report can be**  
**viewed/downloaded from the**  
**'Investors Relations' section**  
**on the Company's website**  
**www.goacarbon.com**

## CHAIRMAN'S LETTER

Dear Shareholder,

I am pleased to be connecting with you in the matter of your Company's performance and prospects relating to yet another year.

Overall, Year 2016-17 was reasonably good, an improvement on the previous year. Its last quarter, in particular, showed encouraging signs of recovery in demand for Calcined Petroleum Coke (CPC) in India. As you are surely aware, the demand for CPC mainly depends on growth in the aluminium and steel industries. Both sectors are expected to grow as a result of Government's increased emphasis on planned infrastructure spending in coming times. These signs and developments, marked by a growing demand for metals, bode well for your Company, given that our product is certain to be correspondingly in demand as well.

You will have observed that during the year that we are reviewing, the Company sold 1,59,579 MT of CPC, from which a spurt in demand was witnessed in the year's last quarter. This rise came via the aluminium sector, along with, of course, judicious foreign exchange management by Company officials.



Considering the pace of industrial growth in the country, I am sanguine about Fiscal Year 2017-18 closing on a positive note across the economy. This positivity is expected to set a robust growth path for your Company in this, as in coming years.

The Company's plants, located at St. Jose de Areal in Goa, Bilaspur in Chhattisgarh, and Paradeep in Odisha are fully operational, and each reported a high level of capacity utilization. This stands us in good stead as we gear up to meet the increased demand for CPC from manufacturers of aluminium, graphite electrodes and titanium dioxide.

The positive outlook we hold for CPC demand is mainly based on measures towards rapid capacity enhancement being undertaken by aluminium smelters in India, which is expected to go up from 2.8 million tonnes in Year 2016 to 4 million tonnes by Year 2020. Increased capacity utilization in aluminium ought to boost power and construction projects besides the automobile sector, resulting in higher demand for CPC with consequential effects, beneficial in nature, on your Company's profit margins.

All the same, I would wish to introduce a word of caution here. The two major factors on which the growth and profitability of CPC manufacture depend are the Rupee-Dollar exchange rate and the availability of the right source of raw material at a price that is commercially viable. As you know the Company sources its major requirement of raw material from the People's Republic of China. Any unfavourable exchange rate fluctuation or disturbance in raw material supply can alter an otherwise steady course of operations and results.

Scrupulous corporate governance and ethicality in management are integral to business at Goa Carbon Limited, values which we see as essential for the growth of the company. Like all responsible corporates, we wear two hats: On the one hand, we constantly strive towards efficiency in systems and operations aimed at being globally competitive, and on the other, we continually seek to fulfill our social responsibility through ethical and value-based management aimed at sustainable development. As part of our CSR, we

conduct programmes and activities in the education domain and the healthcare space, thereby doing our bit for nation-building. We aim to be a profitable corporate denizen as much as a good corporate citizen.

The Union Budget for Year 2017-18, coming as it did in the aftermath of demonetization, lived up to the expectations of India Inc. as Government seeks to revive industrial and infrastructural growth in the next 12 months. The worthy plan to establish India as an electronics-manufacturing hub is good news for the domestic metals industry, particularly those engaged in the manufacture of aluminium, copper, lithium and nickel. The other plan to enable high-speed broadband connectivity via optical fibre in more than 150,000 village panchayats by the end of FY 2018 is equally likely to see higher demand for aluminium and copper alloys. Both proposals, once operational, are likely to have a knock-on effect on your Company's operations.

I have no doubt that, on the whole, the Union Budget is sound in its aims to revive investment, boost manufacturing in sectors such as aluminium and steel, and create new jobs in a time frame that is medium to long.

I take this opportunity sincerely to thank all our stakeholders as well as Government of India, Governments of Goa, Chhattisgarh and Odisha, Mormugao Port Trust and Paradeep Port Trust, various regulatory authorities, and our bankers, associates and suppliers variously for their faith, guidance, support and continued association.

I also express my gratitude to all the Members of our Board and to our valuable customers whose trust and confidence in Goa Carbon Limited both inspires and encourages us to overcome challenges and scale greater heights of performance and excellence year after year.

Thank you,



**Shrinivas V. Dempo**  
*Chairman*



## NOTICE

**Notice** is hereby given that the Forty-ninth Annual General Meeting of the Members of **Goa Carbon Limited (CIN L23109GA1967PLC000076)** will be held at the Registered Office of the Company at **Dempo House, Campal, Panaji, Goa 403001**, on **Friday, the 30<sup>th</sup> June, 2017 at 10:30 a.m.**, to transact the following business:-

### Ordinary Business:

#### 1. Adoption of Financial Statements.

- (a) To consider and if deemed fit to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Standalone Financial Statements for the financial year ended 31<sup>st</sup> March, 2017 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board and Auditors thereon be and are hereby considered, approved and adopted.”

- (b) To consider and if deemed fit to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2017 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon be and are hereby considered, approved and adopted”.

#### 2. Declaration of Dividend

To consider and if deemed fit to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT a final dividend of ₹ 3/- per equity share of ₹ 10/- each be declared for the financial year ended 31<sup>st</sup> March, 2017 and that the same be paid out of the profits of the Company for the financial year ended 31<sup>st</sup> March, 2017 to those shareholders whose names appear in the Register of Members as on 23<sup>rd</sup> June, 2017 in case the shares are held in physical form and to the beneficial holders of the dematerialised shares as on 23<sup>rd</sup> June, 2017 as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in the electronic form.

RESOLVED FURTHER THAT the interim dividend of ₹ 1.50 per equity share of ₹ 10/- each already paid for the financial year ended 31<sup>st</sup> March, 2017 be and is hereby confirmed.”

3. Re-appointment of Mr. Shrinivas V. Dempo, Director retiring by rotation as a Director

To consider and if deemed fit to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Shrinivas V. Dempo holding DIN 00043413, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

4. Appointment of Statutory Auditors of the Company and fixing their remuneration

To consider and if deemed fit to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022), be appointed as statutory auditors of the Company, in place of the retiring auditors M/s. Deloitte Haskins & Sells, Chartered Accountants, (Registration No. 008072S), to hold office from the conclusion of this 49<sup>th</sup> Annual General Meeting until the conclusion of the 54<sup>th</sup> Annual General Meeting, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

### Special Business:

5. Revision in remuneration of Mr. Jagmohan J. Chhabra, Executive Director

To consider and if deemed fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with Schedule V of the Companies Act, 2013 and Article 159 of the Articles of Association of the Company and in partial modification of the resolution passed by the

members at the Annual General Meeting held on 6<sup>th</sup> July, 2016, consent of the Company be and is hereby accorded for revision in the remuneration of Mr. Jagmohan J. Chhabra, (DIN 01007714) Whole-time Director of the Company designated as "Executive Director", with effect from 1<sup>st</sup> April, 2017, for the remaining period of his tenure i.e. up to 31<sup>st</sup> March, 2019 as follows:

#### **Fixed Pay**

Gross annual remuneration not exceeding ₹ 92,15,000/- (Rupees Ninety Two Lakhs Fifteen Thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof; and

Provided that the following perquisites shall not be included in the aforesaid remuneration:

- a) Contribution to Provident Fund;
- b) Gratuity payable to the extent exempted under the Income Tax Act, 1961; and
- c) Encashment of leave at the end of the tenure.

#### **d) Variable Pay**

Performance Linked Bonus/Incentive to be paid annually after the end of financial year: 1% of net profit per annum, subject to maximum of ₹ 35,00,000/-.

#### **Other Benefits**

Payment/re-imbursement of telephone (landline) and mobile phone bills, actual & reasonable cost of membership (excluding admission/life membership fees) in not more than one private club in Goa during the tenure, personal accident insurance premium for a cover of ₹ 25 lakhs, expenses incurred in connection with the running and maintenance of the Company's car for official purposes and salary of driver as per the rules of the Company shall not be included in the aforesaid fixed pay.

In addition to the above, the Executive Director shall be further entitled to the following other benefits:

Communication: A laptop computer as well as mobile phone, landline and internet connection at his residence for the conduct of Company's business.

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 and casual leave and sick leave as per the policy of the Company.

#### **Minimum Remuneration**

Where in any financial year during the tenure of Mr. Jagmohan J. Chhabra, Executive Director, the Company incurs losses or its profits are inadequate, the Company shall pay to Mr. Jagmohan J. Chhabra, remuneration by way of fixed pay and other benefits as minimum remuneration.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

#### **6. Approval for payment of Commission to Non Executive Directors of the Company**

To consider and if deemed fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, and based on the recommendations of the Board and Nomination and Remuneration Committee made in their meetings held on 11<sup>th</sup> April, 2017, approval of the Members be and is hereby accorded to the payment of remuneration to Non Executive Directors of the Company by way of commission from the financial year ending on 31<sup>st</sup> March, 2018 onwards, upto 1% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013, provided always that the quantum of commission to be paid to the non-executive directors and the manner of its apportionment among the Non Executive Directors shall be determined by the Board.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution".



**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

Proxy/Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than ten (10) per cent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten (10) per cent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but not vote.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 24<sup>th</sup> June, 2017 to Friday, the 30<sup>th</sup> June, 2017 (both days inclusive) for determining the entitlement of the members to the final dividend for financial year ended 31<sup>st</sup> March, 2017 and AGM.
4. The dividend warrants in respect of the final dividend of ₹ 3/- for the financial year ended 31<sup>st</sup> March, 2017 recommended by the Board of Directors is proposed to be posted on Friday, 14<sup>th</sup> July, 2017 subject to the approval of the members at the ensuing AGM. In case of members opting for NECS, the dividend would in the normal course be credited to their respective accounts by Friday, 14<sup>th</sup> July, 2017.

5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Pursuant to Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Company has transferred ₹ 4,75,260/- (Rupees Four Lakhs Seventy Five Thousand Two Hundred Sixty only) being the unpaid and unclaimed dividend amount pertaining to dividend for the year 2008-09 to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2009-10, as on the date of the 48<sup>th</sup> Annual General Meeting (AGM) held on 6<sup>th</sup> July, 2016, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Section" on the website of the Company viz. [www.goacarbon.com](http://www.goacarbon.com)

A separate reminder is also being sent to those members having unclaimed dividends pertaining to the dividend for the year 2009-10 paid on 17<sup>th</sup> August, 2010 or any subsequent dividend payment(s). Members who have not encashed their dividend warrants are advised to write to the Company or the Company's RTA immediately claiming dividends declared by the Company.

8. All unclaimed dividend declared up to the financial year ended 31<sup>st</sup> March, 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.

9. Pursuant to the provisions of Section 205A and 205C of the erstwhile Companies Act, 1956 and Section 124 of the Companies Act, 2013, the Company has transferred the unclaimed dividends from the financial years ended, 31<sup>st</sup> March, 1996 to 31<sup>st</sup> March, 2009 to the Investor Education and Protection Fund established by the Central Government. The dividends for the financial period ended 31<sup>st</sup> March, 2010 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 (IEPF). 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 RTA, immediately.

Financial year ended	Due date of transfer
31.03.2010	13.09.2017
31.03.2011	25.09.2018
31.03.2012	06.09.2019
31.03.2013	11.08.2020
31.03.2014	13.10.2021
31.03.2015	14.08.2022
31.03.2017 (Interim)	17.02.2024

10. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the DEMAT Account of the IEPF Authority after complying with the procedure laid down under the Rules.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Company's RTA.

12. Members holding shares in physical form and wishing to make / change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company or the Company's RTA.

13. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories.

14. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings in respect of the Director seeking re-appointment at the AGM is furnished in the annexure and forms part of the Notice. The Director seeking re-appointment has furnished the requisite consents/ declarations for his re-appointment.

15. Electronic copy of the Annual Report for 2016-17, Notice of the 49<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip/Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 49<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip/Proxy Form is being sent in the permitted mode.

16. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting are appended hereto.
17. In view of the Green Initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company at [greeninitiative@goacarbon.com](mailto:greeninitiative@goacarbon.com). Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
18. Members may also note that the Notice of the 49<sup>th</sup> Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [www.goacarbon.com](http://www.goacarbon.com) for their download.
19. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days, up to and including the date of the AGM.

## 20. Instructions for E-Voting

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to members to cast their vote on all resolutions set forth in the notice convening the 49<sup>th</sup> Annual General Meeting (AGM). The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facility. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM is termed as 'remote e-voting'.
- ii. The facility of voting through ballot or polling paper shall also be made available for the

members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.

- iii. The remote e-voting period commences on Tuesday, 27<sup>th</sup> June, 2017 (9.00 a.m. IST) and ends on Thursday, 29<sup>th</sup> June, 2017 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on Friday, 23<sup>rd</sup> June, 2017 ('Cut-off date') may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting on Thursday, 29<sup>th</sup> June, 2017 after 5.00 p.m. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

## Steps for Remote E-Voting

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
  - i. Open the e-mail and also open PDF file namely "Goa Carbon e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "Goa Carbon e-voting.pdf."

- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder – Login.
- iv. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.

- vii. Once the remote e-voting home page opens, click on remote e-voting> Active Voting Cycles.
- viii. Select “EVEN” (Remote E-voting Event Number) of Goa Carbon Limited. Now you are ready for remote e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x. Upon confirmation, the message “Vote cast successfully” will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [sadashivshet@gmail.com](mailto:sadashivshet@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [legal@goacarbon.com](mailto:legal@goacarbon.com).
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and remote e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- xiv. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> June, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No.).

- B. In case a Member receives physical copy of the Notice of Annual General Meeting (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial password is provided in the enclosed Attendance Slip/Proxy Form: EVEN (Remote E-voting Event Number), User ID and Password.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

### C. Other Instructions:

- i. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Cut-off Date.

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the closing working hours of Cut-off Date and not casting their vote electronically, may cast their vote at the Meeting.

- ii. CS Sadashiv V. Shet, Practising Company Secretary, Panaji, who has consented to act as the scrutinizer and is available for the purpose of ascertaining the requisite majority, has been appointed as the scrutinizer to scrutinize the remote e-voting process/ballot/poll in a fair and transparent manner.
- iii. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot or polling paper for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
- iv. Scrutinizer shall, immediately after the conclusion of the Meeting will first count the votes cast at the Meeting and thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the Meeting make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing, who shall



countersign the same and declare the result of the voting forthwith.

- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.goacarbon.com](http://www.goacarbon.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to BSE Limited and National Stock Exchange of India Limited.

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED TO AND FORMING PART OF THE NOTICE DATED 11<sup>th</sup> APRIL, 2017**

**ITEM 4**

Though not mandatory, this statement is provided for reference.

Prior to appointment of M/s. Deloitte Haskins & Sells in FY 2009-10, Fraser & Ross, was the audit firm for the Company for 9 years. Since M/s. Deloitte Haskins & Sells and Fraser & Ross are members of the Deloitte Touche Tohmatsu, M/s. Deloitte Haskins & Sells were considered to have been the auditors of the Company for more than 10 years in accordance with Section 139(2) of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 and hence, at the 46<sup>th</sup> AGM held on 6<sup>th</sup> September, 2014, M/s. Deloitte Haskins & Sells were appointed as auditors for the transition period of three years.

In terms of the said appointment M/s. Deloitte Haskins & Sells are holding office of the auditors up to the conclusion of the 49<sup>th</sup> AGM and as such, would retire at the conclusion of the forthcoming 49<sup>th</sup> AGM.

Accordingly, as per the requirements of Section 139(2) of the Act, M/s. BSR & Co. LLP, Chartered Accountants are proposed to be appointed as auditors for a period of 5 years, commencing from the conclusion of 49<sup>th</sup> AGM till the conclusion of the 54<sup>th</sup> AGM, subject to ratification by members every year, as may be applicable.

M/s. BSR & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the notice.

The Board recommends the resolution set forth in Item No. 4 of the notice for approval of the members.

**ITEM 5**

In the 48<sup>th</sup> Annual General Meeting of the Company held on 6<sup>th</sup> July, 2016, Mr. Jagmohan J. Chhabra was re-appointed as Whole-time Director of the Company designated "Executive Director" for a period of three years w.e.f. 1<sup>st</sup> April, 2016 till 31<sup>st</sup> March, 2019.

The Board, in view of his contributions to the Company's business and the qualification and experience he holds and on recommendation of Nomination and Remuneration Committee, recommends the increase in remuneration of Mr. Jagmohan J. Chhabra as set out in the resolution at Item No. 5 of the notice.

In order to ensure continuity in payment of remuneration to the Whole-time Director irrespective of unforeseen volatility in operations/profitability, as per the provisions of Section – II of Part – II of Schedule V of the Companies Act, 2013, a Special Resolution is required to be passed for payment of managerial remuneration, therefore consent of members by way of a Special Resolution is sought for increase in payment of remuneration to Mr. Jagmohan J. Chhabra with effect from 1<sup>st</sup> April, 2017.

As required by proviso (iv) of Section – II of Part – II of Schedule – V of the Companies Act, 2013, a statement of information required under the said clause is given in the Annexure to the AGM Notice dated 11<sup>th</sup> April, 2017.

Save and except for Mr. Jagmohan J. Chhabra who is concerned/interested in the resolution at Item No. 5, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

**ITEM 6**

In terms of Section 197 of the Companies Act, 2013, in case the Company has Managing or Whole-time Director, the Company can pay commission to the Non-Executive Directors (i.e. Directors other than Executive Chairman, Managing Director and other Whole-time Directors) for a sum upto 1% (one per cent) of the net profits of the Company, with the approval of shareholders by way of Special Resolution.

The Non-Executive Directors are spending considerable time and efforts in discharging their responsibilities and also contributing to the overall performance and progress made by the Company. In recognition of their contribution, it is now proposed to authorize the Board of Directors to determine the amount, manner and basis for payment of commission to Non-Executive Directors commencing from financial year ending on 31<sup>st</sup> March, 2018.

Approval of the shareholders is sought to enable the Company to make payment of remuneration in the form of commission to the Non-Executive Directors, commensurate with their role and involvement, in any case not exceeding the limit of 1% per annum of the net profits of the Company in the aggregate as specified in the second proviso to Section 197(1) of the Companies Act, 2013. The quantum of remuneration payable to each of the Non-Executive Directors will vary from year to year.

The Directors recommend the resolution for approval of shareholders.

Save and except for Non-Executive Directors of the Company who are interested no other Director and/or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 above.

By Order of the Board of Directors

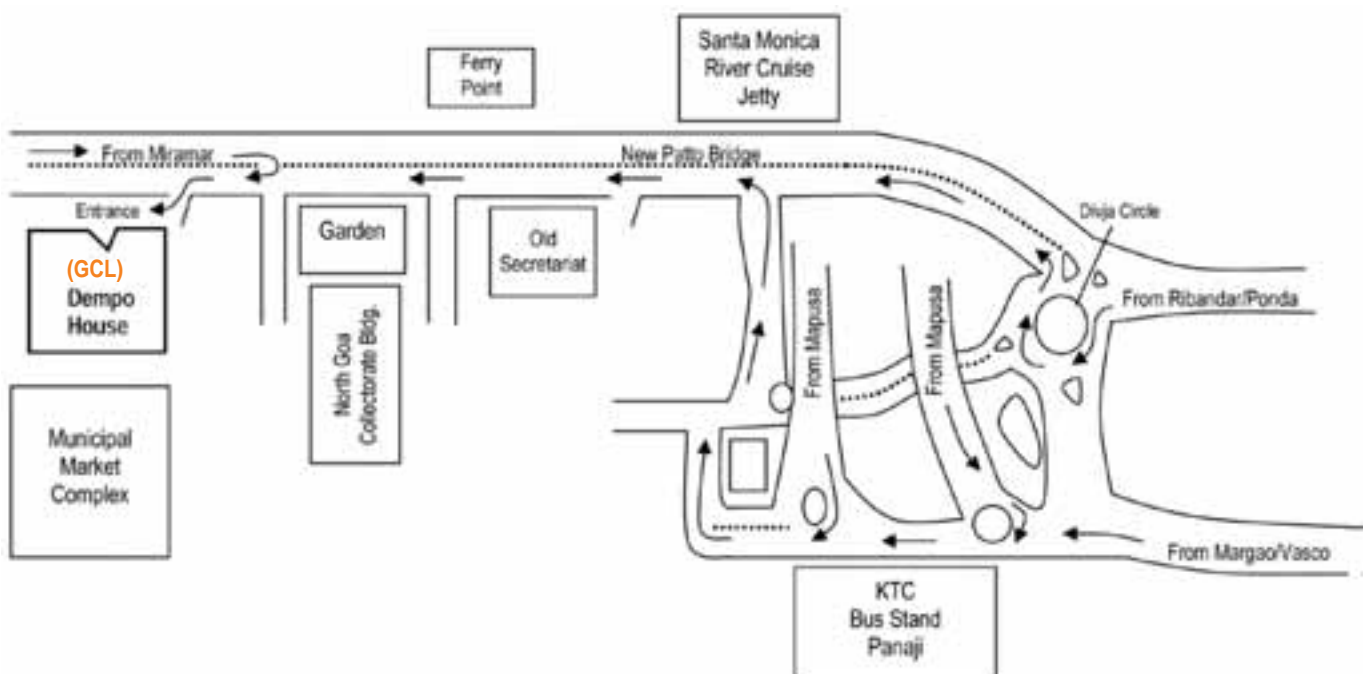
**P. S. Mantri**  
Company Secretary  
M.No.: FCS – 1957

Panaji, 11<sup>th</sup> April, 2017

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

**CIN:** L23109GA1967PLC000076  
**Website:** [www.goacarbon.com](http://www.goacarbon.com)

In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India, route map for the location of the venue of the 49<sup>th</sup> Annual General Meeting is given below:





## ANNEXURE TO THE NOTICE

## 1. Particulars and additional information of the directors seeking appointment/re-appointment pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2):

<b>Name of the Director</b>	<b>Shrinivas V. Dempo</b>	<b>Jagmohan J. Chhabra</b>
Category	Non-Executive, Non-Independent Director	Executive Director
Age	48 years	55 years
Date of first appointment	27/04/1999	01/04/2010
Profile of the Director	<p>A third-generation entrepreneur, Mr. Shrinivas V. Dempo is the Chairman of Goa's leading business house, Dempo. The Group's activities cover calcined petroleum coke production, shipbuilding, newspaper publishing and electronic media, food processing, real estate development, sports promotion, the travel business, renewable energy generation and mining.</p> <p>Using his post-graduate management education in Industrial Administration received at Carnegie Mellon University, USA, he gave a new direction to the business group. His stewardship has been marked by expansion of existing businesses, benchmarking of products and processes to international standards, introduction of progressive people management systems, enterprise resource planning, corporate sustainability reporting and the deepening of corporate social responsibility.</p>	<p>Mr. Jagmohan J. Chhabra is a Mechanical Engineer with Masters Degree in Management (specialization in Marketing) from the Jamnalal Bajaj Institute of Management Studies, Mumbai and has done a Management Programme from IIM, Ahmedabad. Mr. Chhabra has worked for more than 25 years with MNC's and has experience in Operations and Marketing Management both at domestic and international levels. Prior to joining Goa Carbon Limited, he was associated as CEO of TSG Limited, a subsidiary of Frigoglass Group, Athens, Greece.</p>
Expertise in specific functional area	Leadership and Corporate Management	Marketing and Management expert.
Qualification	Master in Business Administration from the Carneige Melon University, USA.	B.E. (Mechanical) Masters Degree in Marketing Management, Management Education Programme
Directorship held in other companies (including foreign and private companies)	<ol style="list-style-type: none"> <li>1. V. S. Dempo Holdings Pvt. Ltd.</li> <li>2. Dempo Industries Pvt. Ltd.</li> <li>3. Hindustan Foods Ltd.</li> <li>4. Automobile Corporation of Goa Ltd.</li> <li>5. Amigo Sport Pvt. Ltd.</li> <li>6. Dempo Travels Pvt. Ltd.</li> <li>7. V. S. Dempo Mining Corporation Pvt. Ltd.</li> <li>8. Dempo Shipbuilding and Engineering Pvt. Ltd.</li> <li>9. Marmagoa Shipping &amp; Stevedoring Co. Pvt. Ltd.</li> <li>10. Dempo Sports Club Pvt. Ltd.</li> <li>11. Motown Trading Pvt. Ltd.</li> <li>12. West Coast Hotels Pvt. Ltd.</li> <li>13. GCL Global Resources SGP Pte. Ltd.</li> <li>14. Video and Entertainment Network Asia Pte. Ltd.</li> <li>15. Dempo Global Corporation Pte. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. GCL Global Resources SGP Pte. Ltd.</li> </ol>

Membership of the Committees of the Board of other companies	1. Hindustan Foods Ltd. – Chairman of the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee 2. V. S. Dempo Holdings Pvt. Ltd. – Chairman of the CSR Committee 3. Dempo Industries Pvt. Ltd. – Chairman of the CSR Committee 4. Dempo Shipbuilding and Engineering Pvt. Ltd. – Chairman of the CSR Committee 5. Automobile Corporation of Goa Ltd. – Chairman of the CSR Committee 6. Automobile Corporation of Goa Ltd. – Member of the Nomination and Remuneration Committee	Nil
Number of shares held in the Company	3,95,939 Equity Shares	Nil
No. of Board meetings attended during the year 2016-17	7 (Seven)	6 (Six)
Relationship with other directors inter-se	'Cousin' of Mr. Rajesh S. Dempo, Director	None

**2. Statement of information pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 with reference to the resolution at Item No. 5 of the Notice:**

**I. General Information**

1.	Nature of Industry	The Company is engaged in the manufacture and sale of Calcined Petroleum Coke.		
2.	Date or expected date of commencement of commercial production	The Company is already into commercial production of above product.		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Not Applicable		
4.	Financial performance based on given indicators	₹ in lakhs		
	<b>Financial Parameters</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>	<b>FY 2014-15</b>
	Total Income	30,011.10	32,162.85	19,594.51
	Profit/(Loss) before Tax	1,564.44	(449.27)	(1001.74)
	Profit/(Loss) after Tax	942.49	(307.65)	(1009.01)
	Dividend paid/recommended (including Corporate Dividend Tax)	495.63	Nil	110.14
	Dividend Rate %	45%	Nil	10%
5.	Foreign investments or collaborators, if any	The Company has made investments in its subsidiary i.e. GCL Global Resources SGP Pte. Ltd., Singapore		

**II. Information about Mr. Jagmohan J. Chhabra**

1.	Background details	Mr. Jagmohan J. Chhabra is a Mechanical Engineer with Masters Degree in Management (specialization in Marketing) from the Jamnalal Bajaj Institute of Management Studies, Mumbai and has done a Management Programme from IIM, Ahmedabad. Mr. Chhabra has worked for more than 25 years with MNC's and has experience in Operations and Marketing Management both at domestic and international levels. Prior to joining Goa Carbon Limited, he was associated as CEO of TSG Limited, a subsidiary of Frigoglass Group, Athens, Greece.
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2.	Past remuneration	The remuneration received by Mr. Chhabra during the year ended 31 <sup>st</sup> March, 2017 which comprised of salary, monetary value of perquisites, allowances and contribution to retiral funds was ₹ 90.61 lacs.
3.	Recognition or Awards	Nil
4.	Job profile and suitability	Mr. Jagmohan J. Chhabra is the Executive Director and is responsible for all the day to day operations of the Company subject to the superintendence and control of the Board of Directors of the Company. He has been assigned with the responsibility for implementing the expansion plans of the Company. His past experience in managing overall business as well as expertise in marketing is considered relevant and valuable for his responsibilities as the Executive Director of the Company.
5.	Remuneration proposed	As set out in the resolution at Item No. 5 of the Notice of the 49 <sup>th</sup> Annual General Meeting.
6.	Comparative Remuneration profile with respect to Industry, size of the Company, profile of the position and the person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed to be paid to the Executive Director is comparable with the remuneration being paid for similar assignments in the industry.
7.	Pecuniary Relationship directly or indirectly with the Company or relationship with the managerial Personnel, if any	Mr. Jagmohan J. Chhabra does not have direct or indirect pecuniary relationship with the Company or relationship with the managerial personnel other than drawing his remuneration in the capacity of Executive Director of the Company.

### III. Other Information

1.	Reasons of loss or inadequate profits	} Not Applicable
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measurable terms	

### IV. Disclosures

1.	The shareholders of the Company shall be informed of the remuneration package of the managerial person	Disclosure of the remuneration package is part of this notice being sent to Shareholders.
2.	The following disclosures shall be mentioned in the Board of Directors' Report under the heading "Corporate Governance", if any, attached to the Annual Report:- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors ii. Details of fixed component and performance linked incentives along with the performance criteria iii. Service contracts, notice period, severance fees iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	<p>} This has been fully covered under the Corporate Governance Report.</p> <p>Not Applicable</p>

## DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 49<sup>th</sup> Annual Report on the business and operations of the Company and the audited financial accounts for the year ended 31<sup>st</sup> March, 2017.

### Financial Results

₹ in lakhs

	2016-17	2015-16
<b>Profit/(Loss) before exceptional item for the year</b>	1,564.44	(449.27)
Less: Exceptional items	-	-
<b>Profit/(Loss) after exceptional item/before tax for the year</b>	1,564.44	(449.27)
Less: Provision for Tax –		
Current Tax	334.00	-
MAT Credit	(96.44)	-
Prior Year Tax	78.14	2.03
Deferred Tax	(306.25)	(143.65)
	621.95	(141.62)
<b>Profit/(Loss) for the year after tax</b>	942.49	(307.65)
Add: Surplus b/f from statement of Profit & Loss of previous year	774.42	1082.07
<b>Amount Available for Appropriations:</b>	1,716.91	774.42
<b>Appropriations:</b>		
General Reserve	-	-
Interim Dividend Paid	137.27	-
Tax on Interim Dividend	27.94	-
	165.21	-
Balance carried to the Balance Sheet	1,551.70	774.42

### Year in Retrospect

The sales and other income for the financial year under review was ₹ 30,011.10 lakhs as compared to ₹ 32,162.85 lakhs during the previous year. The production of Calcined Petroleum Coke (CPC) was 1,64,323 tonnes as compared to 1,49,935 tonnes during the previous year. The sales of CPC was 1,59,579 tonnes for the period under review as compared to 1,54,688 tonnes for the previous year.

### Dividend and Transfer to Reserve

Considering the current year's operating profit, the Board has considered it appropriate to recommend a

final dividend of ₹ 3/- per equity share of ₹ 10/- each. It may be recalled that in January, 2017, an interim dividend at the rate of ₹ 1.50 per equity share of ₹ 10/- each was declared and paid. This aggregate's to a total dividend of ₹ 4.50 per equity share of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2017 (FY 2015-16: Nil dividend).

The provisions of the Companies Act, 2013 does not mandate any transfer of profits to General Reserve. Hence, no transfer has been made to the General Reserve for the year under review.

### Subsidiary Companies and Consolidated Financial Statements

As on 31<sup>st</sup> March, 2017, the Company had a wholly owned subsidiary namely, "GCL Global Resources SGP Pte. Limited", Singapore.

The Board of Directors has decided to initiate liquidation process in respect of the above said wholly owned subsidiary on account of the withdrawal of the Company's China project and the consequent de-registration of the Company's erstwhile step down subsidiary in China.

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with relevant Accounting Standards specified in the Companies Act, 2013 read with the rules made thereunder, form part of the Annual Report. The necessary information as required to be given in terms of the first proviso of sub-section 3 of Section 129 of the Companies Act, 2013 is given in this Annual Report.

In terms of –

- (i) Clause (a) of fourth proviso to sub-section (1) of Section 136 of the Companies Act, 2013, a copy of the Balance Sheet, Statement of Profit and Loss and other documents of its subsidiary company shall be placed on the website of the Company [www.goacarbon.com](http://www.goacarbon.com);
- (ii) Clause (b) of fourth proviso to sub-section (1) of Section 136 of the Companies Act, 2013, the said documents/details shall be made available, upon request, to any member of the Company.

### 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' Responsibility Statement

To the best of our knowledge and belief and based on the information and representations received from the operating management, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and of the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place and that the internal financial controls are adequate and are operating effectively;
- (f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

### Directors

Mr. Shrinivas V. Dempo, retires by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment. Approval of the members is being sought at the ensuing Annual General Meeting for his re-appointment and the requisite details in this connection is contained in the Notice convening the meeting.

### Key Managerial Personnel

Mr. Jagmohan J. Chhabra, Whole-time Director

(Designated "Executive Director"), Mr. P. S. Mantri, Company Secretary and Mr. K. Balaraman, CFO, continued to function as Key Managerial Personnel of the Company during the year under review.

### Independent Directors' Declarations

The Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013, from all the Independent Directors of the Company viz., Mr. Dara P. Mehta, Mr. Keki M. Elavia, Mr. Raman Madhok, Dr. A. B. Prasad and Ms. Kiran Dhingra confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 in respect of their position as an "Independent Director" of Goa Carbon Limited.

### Meetings of the Board of Directors

A minimum of four Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

During the year under review, seven Board meetings were held, the details of which are given in the Corporate Governance Report which forms part of this Annual Report.

The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

### Audit Committee

The Audit Committee comprises of Mr. Dara P. Mehta who serves as the Chairman of the Committee and Mr. Keki M. Elavia and Mr. Raman Madhok as the other members. The terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report.

All the recommendations made by the Audit Committee during the financial year under review were accepted by the Board.

### Nomination and Remuneration Committee

The composition, terms of reference etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

The Committee has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of the Company at [www.goacarbon.com](http://www.goacarbon.com)



### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and regulation 17(10) of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Statutory Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Based on these criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory.

### Internal Control System

The Board has laid down Internal Financial Controls within the meaning of the explanation to Section 134 (5) (e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

### Statutory Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants,

Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and their term (transition period) of 3 years is expiring at the ensuing AGM.

Accordingly, as per the requirements of Section 139(2) of the Companies Act, 2013 ('the Act'), M/s. BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of the 49<sup>th</sup> AGM till the conclusion of the 54<sup>th</sup> AGM, subject to ratification by shareholders every year, as may be applicable, in place of M/s. Deloitte Haskins & Sells, Chartered Accountants. M/s. BSR & Co. LLP, Chartered Accountants, have consented to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Audit Committee and the Board of Directors recommend the appointment of M/s. BSR & Co. LLP, Chartered Accountants, as statutory auditors of the Company from the conclusion of the 49<sup>th</sup> AGM till the conclusion of the 54<sup>th</sup> AGM, to the shareholders.

### Statutory Auditors' Observations

The notes on financial statements referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations or comments.

There are no qualifications, reservations or adverse remarks or disclaimer made in the Auditors' Report which requires any clarification or explanation.

### Cost Audit

The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules thereunder, the Board of Directors of the Company has appointed CS Sadashiv V. Shet, Practicing Company Secretary to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017



forms a part of this Annual Report. The same is self explanatory and requires no comments.

### **Vigil Mechanism/Whistle Blower Policy**

The Company has established a Vigil Mechanism/ Whistle blower Policy for the employees to report their genuine concerns or grievances and the same has been posted on the Company's website [www.goacarbon.com](http://www.goacarbon.com).

The Audit Committee of the Company oversees the Vigil Mechanism.

### **Risk Management**

Goa Carbon follows well-established and detailed risk assessment and minimisation procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Senior Management assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

### **Particulars of loans, guarantees or investments**

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.

### **Related Party Transactions**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and as such provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval.

As required under regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy has been uploaded on the website of the Company

and can be accessed at: [http://www.goacarbon.com/downloads/Related%20Party%20Transaction%20Policy\\_GOA%20CARBON%20LIMITED.pdf](http://www.goacarbon.com/downloads/Related%20Party%20Transaction%20Policy_GOA%20CARBON%20LIMITED.pdf)

### **Significant and material orders passed by the Regulators or Courts**

There were no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

### **Particulars of employees and related disclosures**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement of the particulars of the employee(s) drawing remuneration in excess of the limits set out in the said rules are provided in the Annexure – I to this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure – II to this 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 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in the Annexure – III to this Report.

### **Corporate Social Responsibility (CSR)**

Pursuant to Section 135 of the Companies Act, 2013 read with rules made there under, your Directors have constituted the Corporate Social Responsibility (CSR) Committee. The CSR Committee comprises of Mr. Shrinivas V. Dempo who serves as Chairman of the Committee and Mr. Raman Madhok and Mr. Jagmohan J. Chhabra as other members.

The said Committee has been entrusted with the responsibility and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The CSR policy

of the Company has been posted on the website of the Company [www.goacarbon.com](http://www.goacarbon.com)

The prescribed CSR expenditure required to be spent for FY 2016-17 as per the Companies Act, 2013 ('the Act') is Nil, in view of net profit of the Company being negative under Section 198 of the Act. However, to keep the spirit of CSR alive, the Company has continued its CSR initiatives for the FY 2016-17.

The Annual Report on CSR activities is provided in the Annexure – IV to this Report.

### Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure – V and forms an integral part of this Report.

### Transfer of unclaimed dividend to Investor Education and Protection Fund

During the year under review, pursuant to Section 124 of the Companies Act, 2013, your Company transferred an amount of ₹ 4,75,260/- (Rupees Four Lakhs Seventy Five Thousand Two Hundred Sixty only) to the Investor Education and Protection Fund (IEPF) being the unclaimed dividend for the financial year ended 31<sup>st</sup> March, 2009.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, your Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 6<sup>th</sup> July, 2016 (date of last Annual General Meeting) on the Company's website [www.goacarbon.com](http://www.goacarbon.com), as also on the website of the Ministry of Corporate Affairs'.

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the DEMAT Account of the IEPF Authority after complying with the procedure laid down under the Rules.

### Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013 and the rules made there under, the Company has formulated an internal Policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal).

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of its occurrence.

The ICC is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year under review there were no complaints referred to the ICC.

### Corporate Governance

It has been the endeavour of your Company to follow and implement best practices in corporate governance, in letter and spirit. The following forms part of this Annual Report:

- (i) Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- (ii) Management Discussion and Analysis;
- (iii) Report on Corporate Governance and;
- (iv) Auditors' Certificate regarding compliance of conditions of corporate governance.

### Appreciation and 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  
DIN: 00043413

Panaji, Goa  
11<sup>th</sup> April, 2017

## ANNEXURE – I TO THE DIRECTORS' REPORT

**Particulars of Employees pursuant to Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2017.**

Sr. No.	Name of the Employee	Designation/ Nature of duties	Remuneration (₹ in lacs)	Qualifications	Experi- ence in years	Date of Com- mencement of employment	Age (in yrs)	Last Employ- ment held	Percentage of equity shares held in the Company	Name of Director or Manager who is a relative
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**(A) Employed throughout the financial year:**

1.	Chhabra Jagmohan J.	<i>Executive Director*</i>	90.61	B.E. (Mechanical), Masters Degree in Marketing Management, Management Education Programme.	33	01.04.2010	55	CEO TSG Limited (Subsidiary of Frigoglass Group, Athens, Greece)	Nil	None
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**(B) Employed for part of the financial year:**

----- Nil -----

**(C) Employed throughout the financial year or part thereof and exceeded that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the company:**

----- Nil -----

\* 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.

For and on behalf of the Board of Directors

**Shrinivas V. Dempo**  
*Chairman*

DIN: 00043413

Panaji, Goa  
11<sup>th</sup> April, 2017

## ANNEXURE – II TO THE DIRECTORS' REPORT

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2016-17 (₹ in lakhs)	% increase in Remuneration in the financial year 2016-17	Ratio of remuneration of each Director to median remuneration of employees
1.	Jagmohan J. Chhabra <i>Executive Director</i>	90.61	0%	20:1
2.	P. S. Mantri <i>Company Secretary</i>	45.35	0%	Not applicable
3.	K. Balaraman <i>Sr. GM (Finance) &amp; CFO</i>	42.09	1%	Not applicable

**Note:** For this purpose, sitting fees paid to the directors have not been considered as remuneration.

- ii) The median remuneration of employees of the Company during the financial year was ₹ 4.55 lakhs.
- iii) In the financial year, there was an increase of 19% in the median remuneration of employees.
- iv) There were 216 employees on the rolls of the Company as on 31<sup>st</sup> March, 2017.
- v) Relationship between average increase in remuneration and company performance: The Net Profit before tax for the financial year ended 31<sup>st</sup> March, 2017 was ₹ 1,564.44 lakhs whereas the average increase in average remuneration was 19%.
- vi) Comparison of remuneration of the Key Managerial Personnel(s) against the performance of the Company: In the year under review, the increment is 0%. The Net Profit of the Company before tax is ₹ 1,564.44 lakhs.
- vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on 31<sup>st</sup> March, 2017 was ₹ 106.98 Crores as against ₹ 68.17 Crores in 2015-16.
- b) Price Earnings ratio of the Company was 11.30:1 as at 31<sup>st</sup> March, 2017 as against Nil as at 31<sup>st</sup> March, 2016.
- c) Percent increase over decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year: Since there was no public offer in last 5 years the relevant details are not applicable.
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 16% whereas the increase in the managerial remuneration for the same financial year was 0%.
- ix) The key parameters for the variable component of remuneration availed by the directors: The Executive Director is entitled to a Performance Linked Bonus/Incentive of 1% of the net profit per annum subject to a maximum of ₹ 6.00 lakhs as per the terms of appointment. The Executive Director is eligible to a Performance Bonus of ₹ 6.00 lakhs for the year under review. None of the other directors are paid any remuneration except sitting fees for attending meetings.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Panaji, Goa  
11<sup>th</sup> April, 2017

**Shrinivas V. Dempo**  
*Chairman*  
DIN: 00043413

## ANNEXURE – III TO THE DIRECTORS' REPORT

### Particulars with respect to conservation of energy etc. as per Companies (Accounts) Rules, 2014

(A)	Conservation of Energy			
	(i) the steps taken or impact on conservation of energy	<p><b><u>Goa Plant</u></b></p> <p>Total electrical units consumed during the year was 7,15,268 kwh units as against 8,70,900 kwh units of the previous year. Consumption of electrical energy per metric ton of Calcined Petroleum Coke (CPC) produced during the year was 18.64 kwh/MT of CPC as against 17.16 kwh/MT of previous year. This is due to decrease in production run days from 250 days to 190 days for the full year as compared to the previous year. A strict control on routinely maintaining power factor enabled the Company to get maximum rebate of ₹ 1,91,268/-.</p> <p>Furnace Oil consumption during the year was 58,890 litres (including heating &amp; cooling of Kiln) as against 1,39,085 litres of previous year. Furnace Oil consumption per ton of CPC during the year was 1.53 litres/MT as against 2.74 litres/MT in the previous year due to better process control. In addition, 34,610 litres of Furnace Oil was used for dedusting of CPC, to suppress dust emissions during sieving &amp; packing</p>	<p><b><u>Bilaspur Plant</u></b></p> <p>Electrical Energy consumption during the year has decreased to 16.80 kwh/MT as compared to 19.58 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 minimize power consumption.</p> <p>Furnace Oil consumption per MT of CPC has decreased from 2.32 litres/MT to 1.45 litres/MT for heating &amp; cooling of the Kiln and also Furnace Oil used for processing has decreased from 2.87 litres/MT to 1.97 litres/MT due to increase in CPC production during the year.</p>	<p><b><u>Paradeep Plant</u></b></p> <p>The specific Electrical Energy consumption for the financial year 2016-17 was 31.82 Kwh/MT. In comparison with the previous financial year 2015-16, the specific energy consumption is more by 1.67 Kwh/MT of CPC produced. The reason for this increase in specific energy consumption is that for the entire Financial Year 2016-17, average kiln operation was higher compared to the financial year 2015-16 and average production per day was less as we were forced to operate the kiln to meet the customers demand without taking shut-down.</p> <p>The average production per day was 331.25 MT during the year as compared to 358.5 MT of the previous year. The power cost per MT of CPC has decreased by ₹ 0.71/MT compared to previous year.</p> <p>The consumption of Furnace oil for production was nil as in the previous year.</p>
	(ii) the steps taken by the company for utilising alternate sources of energy.	<ol style="list-style-type: none"> <li>1) Replaced 20% HPSV Light Fittings to reduce Lighting unit consumption.</li> <li>2) Conditioned monitoring of equipments &amp; strict monitoring for efficient usage of equipment is being continued in all sections.</li> <li>3) Energy efficient 15 HP Wessman Blower was used in place of 25 HP Blower during low furnace oil consumption for kiln burner.</li> <li>4) RPC unloading crusher was bypassed during less coarser material, thereby saving of 40 HP electrical load.</li> </ol>	<ol style="list-style-type: none"> <li>1) Installed energy efficient luminaries.</li> <li>2) Initiation to install energy efficient motors.</li> </ol>	

	(iii) the capital investment on energy conservation equipments	
(B)	<b>Technology Absorption</b>  (i) the efforts made towards technology absorption. (ii) the benefits derived like product improvement, cost reduction, product development or import substitution.  (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology has been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and  (iv) the expenditure incurred on Research and Development.	<p>The Company has been continuously making efforts to achieve reduction in energy consumption and higher product recovery with consistent reviews of all processes and operations and consequent improvement actions like recently installed bag filters. The Company is also making all round efforts to improve on the efficiency of the production of CPC quality by experimenting various specifications of raw materials and its blends.</p> <p>Not Applicable</p>
(C)	<b>Foreign Exchange Earnings and Outgo</b>  The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	<p>Foreign Exchange used for importing raw material, interest on foreign currency loans and travel expenses of employees for official work etc. were equivalent to ₹ 18,792.17 lakhs.</p> <p>Foreign Exchange earned during the year 2016-17 was Nil.</p>



## ANNEXURE – IV TO THE DIRECTORS' REPORT

### Annual Report on Corporate Social Responsibility (CSR) Activities

#### 1. A brief outline of the Company's CSR Policy

Goa Carbon Ltd. (hereafter referred to as "the Company") is committed to fulfilling its responsibilities to society in a qualitative manner beyond statutory obligations in line with the time-honoured record of ethics and responsibility of the Dempo conglomerate, which it belongs to. The Company views compliance as the bare minimum in terms of its endeavour to be a good citizen in all three aspects of corporate life – environmental, social and economic.

The CSR vision of the Company is to become the most admired company of the region by doing business the ethical way and embed the ethos of a socially and environmentally responsible corporate citizen in its strategy and activities. Coupling its regular business with innovative and creative choices in CSR, the Company endeavours to contribute meaningfully to nation-building.

#### 2. Average net profit of the Company for last three financial years

Net Loss of ₹ 19,093,478/- during last three years.

#### 3. Prescribed CSR expenditure (two per cent of the amount as in item 2 above)

Not Applicable in view of the loss.

#### 4. Details of CSR Spend during the financial year

The prescribed CSR expenditure required to be spent for FY 2016-17 as per the Companies Act, 2013 ('the Act') is Nil, in view of net profit of the Company being negative under Section 198 of the Act. However, to keep the spirit of CSR alive, the Company has continued its CSR initiatives for the FY 2016-17 as detailed below:

- Total amount spent during the financial year: ₹ 7,97,000/-
- Amount unspent, if any: Not Applicable
- Manner in which the amount is spent during the financial year:

Amount in ₹

Sr. No.	CSR project/ activity	Sector (Schedule VII)	Projects or programs (1) Local area (2) State and district	Amount outlay (Budget) project or program wise	Amount spent (1) Direct expenditure (2) Overheads	Cumulative expenditure up to the reporting period	Direct or through implementing agency*
1.	Sports Promotion Programme	Sports	Local Area	5,00,000.00	(1) 5,00,000.00 (2) Nil	5,00,000.00	Direct
2.	School Education Programme	Education	Paradeep, Odisha	47,000.00	(1) 47,000.00 (2) Nil	47,000.00	Direct
3.	Art & Culture Programme	Art & Culture	New Delhi	2,50,000.00	(1) 2,50,000.00 (2) Nil	2,50,000.00	Through implementing agency
	<b>Total</b>			<b>7,97,000.00</b>	<b>(1) 7,97,000.00 (2) Nil</b>	<b>7,97,000.00</b>	

\* Details of implementing agency – Serendipity Arts Trust, New Delhi.

#### 5. Reasons for falling short of the required spend

Not Applicable.

#### 6. Responsibility statement of the CSR Committee:

The CSR Committee of the Company's Board states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company. The Company through its Promoter Group has engaged M/s NextGen PMS Pvt. Ltd., for assurance on CSR spend by the Company under Section 135 of the Companies Act, 2013, Schedule VII.

**Jagmohan J. Chhabra**

Executive Director

(DIN: 01007714)

**Shrinivas V. Dempo**

Chairman

(DIN: 00043413)

Chairman CSR Committee

Panaji, Goa  
11<sup>th</sup> April, 2017

## ANNEXURE – V TO THE DIRECTORS' REPORT

**Relevant extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2017.**

### I. REGISTRATION AND OTHER DETAILS

i.	Corporate Identity Number (CIN) of the Company	L23109GA1967PLC000076
ii.	Registration Date	22 <sup>nd</sup> June, 1967
iii.	Name of the Company	Goa Carbon Limited
iv.	Category/Sub-Category of the Company	Public Company limited by shares
v.	Address of the Registered office and contact details	Dempo House, Campal, Panaji, Goa 403001 Tel +91 832 2441300, Fax +91 832 2427192
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083 E-Mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> , Ph.: (022) 49186270, Fax: (022) 49186060

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1.	Manufacture of coke oven product	1910	100%

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of Companies Act, 2013
1.	<b>V. S. Dempo Holdings Pvt. Ltd.</b> Dempo House, Campal, Panaji, Goa 403001	U65993GA1984PTC000570	Holding	55.39%	2(46)
2.	<b>GCL Global Resources SGP Pte. Ltd.</b> 133 Cecil Street #16-01, Keck Seng Tower, Singapore 069535	Foreign Company	Subsidiary	100%	2(87)

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

#### i) Category-wise Share Holding

Category of Shareholders	Number of shares held on 1 <sup>st</sup> April, 2016				Number of shares held on 31 <sup>st</sup> March, 2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
Individuals/HUF	3,95,939	Nil	3,95,939	4.3267	3,95,939	Nil	3,95,939	4.3267	Nil
Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporate	51,03,340	Nil	51,03,340	55.7678	51,03,340	Nil	51,03,340	55.7678	Nil
Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A)(1)</b>	<b>54,99,279</b>	<b>Nil</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>54,99,279</b>	<b>Nil</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>Nil</b>
<b>2. Foreign</b>									
Individuals (Non-Resident Individuals/Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	Number of shares held on 1 <sup>st</sup> April, 2016				Number of shares held on 31 <sup>st</sup> March, 2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>54,99,279</b>	<b>Nil</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>54,99,279</b>	<b>Nil</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds / UTI	Nil	550	550	0.0060	Nil	550	550	0.0060	Nil
Financial Institutions/Banks	170	635	805	0.0088	22,876	635	23,511	0.2569	0.2481
Central Government/State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Qualified Foreign Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (B)(1)</b>	<b>170</b>	<b>1,185</b>	<b>1,355</b>	<b>0.0148</b>	<b>22,876</b>	<b>1,185</b>	<b>24,061</b>	<b>0.2629</b>	<b>0.2481</b>
<b>2. Non-institutions</b>									
Bodies Corporate	4,86,901	3,012	4,89,913	5.3536	2,93,675	3,012	2,96,687	3.2421	(2.1115)
Individuals – i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	24,76,673	3,84,752	28,61,425	31.2688	25,46,534	3,84,752	29,23,495	31.9471	0.6783
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	48,277	Nil	48,277	0.5276	28,300	Nil	28,300	0.3093	(0.2183)
Qualified Foreign Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other (specify)									
i. Clearing Member	64,936	Nil	64,936	0.7096	1,40,951	Nil	1,40,951	1.5403	0.8307
ii. Non Resident Indian (Repat.)	33,115	20	33,135	0.3621	42,562	20	42,582	0.4653	0.1032
iii. Non Resident Indian (Non Repat.)	13,509	4,760	18,269	0.1996	72,445	4,760	77,205	0.8437	0.6441
iv. Directors & their relatives	Nil	4,000	4,000	0.0437	Nil	4,000	4,000	0.0437	Nil
v. Trusts	100	Nil	100	0.0011	100	Nil	100	0.0011	Nil
vi. Hindu Undivided Family	1,30,363	Nil	1,30,363	1.4246	1,14,392	Nil	1,14,392	1.2500	(0.1746)
<b>Sub-Total (B)(2)</b>	<b>32,53,874</b>	<b>3,96,544</b>	<b>36,50,418</b>	<b>39.8907</b>	<b>32,38,959</b>	<b>3,96,544</b>	<b>36,27,712</b>	<b>39.6426</b>	<b>(0.2481)</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>32,54,044</b>	<b>397,729</b>	<b>36,51,773</b>	<b>39.9055</b>	<b>32,61,835</b>	<b>3,89,938</b>	<b>36,51,773</b>	<b>39.9055</b>	<b>Nil</b>
<b>C. Shares held by Custodians for GDR's &amp; ADR's</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>87,53,323</b>	<b>3,97,729</b>	<b>91,51,052</b>	<b>100.0000</b>	<b>87,61,114</b>	<b>3,89,938</b>	<b>91,51,052</b>	<b>100.0000</b>	

## ii) Shareholding of Promoters

Shareholder's Name	Number of shares held on 1 <sup>st</sup> April, 2016			Number of shares held on 31 <sup>st</sup> March, 2017			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Shrinivas Vasudeva Dempo	3,95,939	4.3267	Nil	3,95,939	4.3267	Nil	Nil
V. S. Dempo Holdings Pvt. Ltd.	50,69,040	55.3930	Nil	50,69,040	55.3930	Nil	Nil
Motown Investments Pvt. Ltd.	34,300	0.3748	Nil	34,300	0.3748	Nil	Nil
<b>TOTAL</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>Nil</b>	<b>54,99,279</b>	<b>60.0945</b>	<b>Nil</b>	<b>Nil</b>

## iii) Change in Promoters' Shareholding

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>At the beginning of the year, 1<sup>st</sup> April, 2016</b>				
Shrinivas Vasudeva Dempo	3,95,939	4.3267	-	-
V. S. Dempo Holdings Pvt. Ltd.	50,69,040	55.3930	-	-
Motown Investments Pvt. Ltd.	34,300	0.3748	-	-
<b>TOTAL</b>	<b>54,99,279</b>	<b>60.0945</b>	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
<b>At the end of the year, 31<sup>st</sup> March, 2017</b>				
Shrinivas Vasudeva Dempo	-	-	3,95,939	4.3267
V. S. Dempo Holdings Pvt. Ltd.	-	-	50,69,040	55.3930
Motown Investments Pvt. Ltd.	-	-	34,300	0.3748
<b>TOTAL</b>	-	-	<b>54,99,279</b>	<b>60.0945</b>

## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Top Ten Shareholders	Shareholding as on 1 <sup>st</sup> April, 2016		Shareholding as on 31 <sup>st</sup> March, 2017	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Sujay Ajitkumar Hamalai	-	-	60,000	0.6557
Pravina Kantilal Karani	13,800	0.1508	23,800	0.3093
Rashida Hatim Miyajiwala	20,000	0.2186	20,000	0.2186
Karvy Stock Broking Ltd.	11,498	0.1256	19,970	0.2182
Axis Bank Limited	-	-	19,879	0.2172
Neeta Jatin Jhaveri	-	-	19,701	0.2153
Anand Mohan	-	-	19,000	0.2076
Ashok Liladhar Shah	-	-	19,000	0.2076
Mahadev Mohan Caculo	18,777	0.2052	18,777	0.2052
Ramaswamy Anand	-	-	18,350	0.2005

## v) Shareholding of Directors and Key Managerial Personnel

For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>At the beginning of the year, 1<sup>st</sup> April, 2016</b>				
Shrinivas Vasudeva Dempo	3,95,939	4.3267	-	-
Dara P. Mehta	4,000	0.0437	-	-
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
<b>At the end of the year, 31<sup>st</sup> March, 2017</b>				
Shrinivas Vasudeva Dempo	-	-	3,95,939	4.3267
Dara P. Mehta	-	-	4,000	0.0437

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

In ₹ lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	20,541.29	-	-	20,541.29
ii) Interest due but not paid	-	181.01	-	181.01
iii) Interest accrued but no due	49.05	-	-	49.05
<b>Total (i+ii+iii)</b>	<b>20,590.34</b>	<b>181.01</b>	<b>-</b>	<b>20,771.35</b>
<b>Change in Indebtedness during the financial year</b>				
▪ Addition	-	-	-	-
▪ Reduction	4,668.87	-	-	4,668.87
<b>Net Change</b>	<b>4,668.87</b>	<b>-</b>	<b>-</b>	<b>4,668.87</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	15,869.64	-	-	15,869.64
ii) Interest due but not paid	-	181.01	-	181.01
iii) Interest accrued but not due	51.83	-	-	51.83
<b>Total (i+ii+iii)</b>	<b>15,921.47</b>	<b>181.01</b>	<b>-</b>	<b>16,102.48</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Particulars of Remuneration	Name of MD/WT/ Manager	Total Amount (in ₹ lakhs)
	Jagmohan J. Chhabra	
Gross salary		
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	63.60	63.60
(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	17.93	17.93
(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil
Stock Option	Nil	Nil
Sweat Equity	Nil	Nil
Commission		
– as % of profit	Nil	Nil
– others, specify...	Nil	Nil
Others, please specify		
– Retirement benefits	9.08	9.08
<b>Total (A)</b>	<b>90.61</b>	<b>90.61</b>
Ceiling as per the Act	5% of the net profits of the Company	

**B. Remuneration to other Directors**

Particulars of Remuneration	Name of Directors					Total Amount (in ₹ lakhs)
<b>Independent Directors</b>	<b>Dara P. Mehta</b>	<b>Keki M. Elavia</b>	<b>Dr. A. B. Prasad</b>	<b>Raman Madhok</b>	<b>Kiran Dhingra</b>	
Fee for attending board/committee meetings	1.125	1.925	1.590	2.670	1.550	8.860
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-
<b>Total (1)</b>	<b>1.125</b>	<b>1.925</b>	<b>1.590</b>	<b>2.670</b>	<b>1.550</b>	<b>8.860</b>
<b>Other Non-Executive Directors</b>	<b>Shrinivas V. Dempo</b>	<b>Rajesh S. Dempo</b>				
Fee for attending board/committee meetings	1.750	1.870				3.620
Commission	-	-				-
Others, please specify	-	-				-
<b>Total (2)</b>	<b>1.750</b>	<b>1.870</b>				<b>3.620</b>
<b>Total (B)=(1+2)</b>						<b>12.480</b>
<b>Total Managerial Remuneration (A+B)</b>						<b>103.090</b>
Ceiling as per the Act	1% of the net profits of the Company					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd**

Particulars of Remuneration	Key Managerial Personnel			Total Amount (in ₹ lakhs)
	CEO	Company Secretary	CFO	
Gross salary				
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	42.40	35.34	77.74
(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	2.95	3.95	6.90
(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	Nil	Nil	Nil
Stock Option	-	Nil	Nil	Nil
Sweat Equity	-	Nil	Nil	Nil
Commission				
– as % of profit	-	Nil	Nil	Nil
– others, specify...	-	Nil	Nil	Nil
Others, please specify				
– Retirement benefits	-	Nil	2.80	2.80
<b>Total</b>	<b>-</b>	<b>45.35</b>	<b>42.09</b>	<b>87.44</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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



## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview:

The financial year 2016-17 was one of the most challenging and a difficult period for all industries and more particularly industries in the business of commodities. Global economy which was at lower trajectory of growth has started to slowly improve. Global economy growth was 3.1% in 2016 and is expected to grow to 3.4% in 2017 and 3.6% in 2018 as per IMF forecast. First half of 2016 witnessed depressed commodity prices and the second half witnessed sharp upward movements in the prices. The Indian Rupee also strengthened during the last quarter of FY16-17.

The Demonetization of Indian Currency in November 16 had an impact in the market and created slump in GDP but the situation has started reversing. The GDP of India is expected to be 7.2% and India is the fastest growing economy in the world. The likely implementation of GST reform from July 2017 will also boost the market sentiments in 2017-18. The Inflation is also under control and industrial manufacturing is also improving.

Goa Carbon Limited is one of the leading Company's engaged in the business of Calcined Petroleum Coke (CPC). CPC is used as a primary source of Carbon by Aluminum, Steel and Titanium dioxide industries. Therefore, there is a direct relationship between the progress and growth of CPC industries with the progress and growth of Aluminium and Steel industries. Aluminium industry is the main user of CPC which consumes almost 75% of production. The domestic demand is improving and new capacities have started commissioning.

### Outlook:

As stated above, the growth of CPC industry is directly linked with the growth of Aluminium industry. It is expected that globally, Aluminium industry will grow from 58.8 Mn MT in 2016 to 61.8 Mn MT in 2017 at a growth rate of 5.1% due to its increasing use in packaging, transportation and construction as a result of its inherent quality of light weight, superior electric conductivity, non corrosive and high strength.

Most of this growth will come from Middle East and Asia including India and China. Therefore, with the growth of Aluminium industry, it is expected that CPC industry will grow in the same proportion. Indian smelting capacity

is likely to increase from 2.7 Mn MT this year to 3.7 Mn MT in 2017-18.

All this will have a direct impact on increase in demand for CPC. In spite of China having a lower GDP growth rate, the Aluminium capacity is growing between 5 to 6% per annum. China's share in world Aluminium production has gone up from 51% in 2014 to 53% in 2016. Due to environmental restrictions on Coal mining in China and Sulphur emissions, there is a disruption in the market as Pet coke is being used as fuel. Due to this, the demand for Pet coke has gone up and prices of Raw Pet Coke have started to move upwards in the last few weeks due to lack of availability. This will impact the Calcined Petcoke prices in the coming quarters too.

Goa Carbon with its long presence and strong relationships with the raw material suppliers has been able to secure the raw materials and also tie up with the customers to supply CPC of right quality on time.

### Risk and Concerns:

As the commodity prices are increasing, it will result in drastic capacity enhancement by the industries including Aluminium and thereby improve the capacity utilization by Aluminium smelters affecting positively the demand for CPC. As Goa Carbon mainly imports its raw material, it remains vulnerable to US Dollars. The Company has a prudent foreign exchange management policy and does not speculate on foreign currency.

The Company has another challenge to source right type of raw material which is also known as Green Petroleum Coke on a continuous basis as the demand for right quality of material is ever increasing. However, the Company tries to overcome this difficulty by closely working on regular basis with the Aluminium smelters to blend different type of material thereby to optimize available raw material to make it more competitive and profitable to meet the requirements of the smelters.

### Research and Development:

Research and development is an ongoing process at Goa Carbon. The Company is continuously innovating and discovering methods and concepts to improve the quality of its product and achieve operational efficiency. The company is awarded with quality certification of

ISO 9001 and ISO 14001 which also 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, 2013.

The key financial ratios are given below in percentage, except for earnings per share:

(₹ in lacs)

	As at 31.03.2017	As at 31.03.2016
PAT (Loss)/Sales	3.24%	(0.98%)
Return on Net Worth	12.59%	-
Earnings per share (₹)	10.30	(3.36)

The net cash flow of the Company during the year ended 31.03.2017 is as follows:

(₹ in lacs)

	As at 31.03.2017	As at 31.03.2016
Cash from operations	1,552.79	3,455.07
Cash from/(used in) investing activities	1,145.94	(6,674.70)
Cash from/(used in) financial activities	(5,127.10)	3,364.11
Net increase/(decrease) in cash	(2,428.37)	144.48

### Internal Control System:

The Company has adequate internal control system commensurate with its size and business. The Internal Auditor reviews that all the transactions of the Company 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 quarterly meetings.

### Human Resources:

As on 31<sup>st</sup> March, 2017, the Company had 216 employees consisting of 18 managerial personnel and 198 other employees including workmen. The Company has excellent combination of experienced and talented Technical Managers. The Company also undertakes on regular basis various training programmes to keep its employees updated on new technical developments and information which directly results in optimum capacity utilization and cost effectiveness. The Company's relation with its employees continues to be 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, 2013 and Securities and Exchange Board of India (SEBI) Regulations.

### Cautionary Statement:

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 including 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.

# REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2016-17

[As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)]

## Introduction

Your Company has complied in all material respects with the requirements of the corporate governance provisions as specified in chapter IV of the Listing Regulations.

A report on the implementation of the corporate governance provisions of the Listing Regulations by the Company is given below:

### 1. Company's philosophy on code of governance

The Company's philosophy on the code of 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 as well as in achieving the objectives of the principles as mentioned in Regulation 4(2) of the Listing Regulations.

### 2. Board of Directors ("Board")

#### 2.1 Composition and category of Directors

As on March 31, 2017, the Company's Board comprised of eight members, one of whom is a Whole time Director/Executive Director (ED), two Non-Executive Directors (NED) and five Independent Directors (ID) including a Woman Director. The number of IDs is more than half of the total number of directors.

The names and categories of the directors on the board are given below:

Name	DIN	Category	Number of shares held as at March 31, 2017
Mr. Shrinivas V. Dempo (Chairman)	00043413	Promoter Non-Executive	3,95,939
Mr. Dara P. Mehta	00041164	Independent	4,000
Mr. Keki M. Elavia	00003940	Independent	Nil
Dr. A. B. Prasad	00817902	Independent	Nil
Mr. Raman Madhok	01798377	Independent	Nil
Ms. Kiran Dhingra	00425602	Independent	Nil
Mr. Rajesh S. Dempo	05143106	Non-Independent Non-Executive	Nil
Mr. Jagmohan J. Chhabra	01007714	Executive Director	Nil

#### 2.2 Attendance of directors at board meetings, annual general meeting and number of other board of directors or committees in which a director is a member or chairperson.

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 memberships/chairpersonships held by them in other companies is given below:

Name	No. of board meetings attended during 2016-17	Whether attended last AGM held on 6 <sup>th</sup> July, 2016	No. of directorships in other companies <sup>o</sup>	No. of committee positions held in other companies	
				Chairperson	Member
Mr. Shrinivas V. Dempo Chairman	7	Yes	15	1	-
Mr. Dara P. Mehta	3	No	7	2	-
Mr. Keki M. Elavia	5	Yes	12	5	4
Dr. A. B. Prasad	6	Yes	1	-	-
Mr. Raman Madhok	7	Yes	1	-	1
Ms. Kiran Dhingra	6	Yes	4	1	1
Mr. Rajesh S. Dempo	7	Yes	6	-	1
Mr. Jagmohan J. Chhabra Executive Director	6	Yes	1	-	-

<sup>o</sup> Includes directorships held in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

#### Notes:

None of the IDs serve as independent director in more than seven listed companies and the ED does not serve as independent director on any listed company.

None of the directors is a member of more than ten committees nor is a chairperson of more than 5 committees across all the public limited companies, whether listed or not, in which he/she is a director. The committees considered for the above purpose are those specified in Regulation 26(1)(b) of the Listing Regulations i.e. the Audit Committee and the Stakeholders' Relationship Committee.

Mr. Shrinivas V. Dempo is the 'Cousin' of Mr. Rajesh S. Dempo. None of the other Directors have any relationships inter-se.

#### 2.3 Meetings of the Board of Directors

The Board meetings are normally held at the registered office at Dempo House, Campal, Panaji-Goa. The information as required in Part A of Schedule II of the Listing Regulations is made

available to the Board. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting of the shareholders. Additional meetings are held, when necessary. Committees of the Board usually meet the day before the Board meeting, or whenever the need arises for transacting business. The

recommendations of the Committees are placed before the Board for necessary approval.

Seven Board meetings were held during the financial year ended 31<sup>st</sup> March, 2017 on 12<sup>th</sup> April, 2016, 29<sup>th</sup> April, 2016, 6<sup>th</sup> July, 2016, 26<sup>th</sup> July, 2016, 12<sup>th</sup> August, 2016, 6<sup>th</sup> October, 2016 and 13<sup>th</sup> January, 2017. The gap between no two meetings exceeded one hundred and twenty days.

## 2.4 Remuneration of each director on the Board

The details of remuneration to each director on the Board during the financial year 2016-17 are as follows:

(in ₹)

Name	Fixed Salary			Commis- sion	Sitting fees	Total Remunera- tion	Service Contract/Notice Period/Severance Fees
	Basic	Perquisites/ Allowances	Total				
Mr. Shrinivas V. Dempo	-	-	-	-	1,75,000	1,75,000	Retirement by Rotation
Mr. Dara P. Mehta	-	-	-	-	1,12,500	1,12,500	5 years up to the AGM of 2019
Mr. Keki M. Elavia	-	-	-	-	1,92,500	1,92,500	5 years up to the AGM of 2019
Dr. A. B. Prasad	-	-	-	-	1,59,000	1,59,000	5 years up to the AGM of 2019
Mr. Raman Madhok	-	-	-	-	2,67,000	2,67,000	5 years up to the AGM of 2019
Ms. Kiran Dhingra	-	-	-	-	1,55,000	1,55,000	5 years up to the AGM of 2020
Mr. Rajesh S. Dempo	-	-	-	-	1,87,000	1,87,000	Retirement by Rotation
Mr. Jagmohan J. Chhabra	54,00,000	36,61,021	90,61,021	-	-	90,61,021	3 years w.e.f. 1 <sup>st</sup> April, 2016

### Notes:

None of the directors hold stock options as on 31<sup>st</sup> March, 2017. The ED is not eligible for payment of severance fees and the contract with the ED may be terminated by either party giving the other party four months' notice.

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended 31<sup>st</sup> March, 2017 except for payment of sitting fees.

## 2.5 Independent Directors Meeting

The IDs met on 11<sup>th</sup> April, 2017 without the presence of non-independent directors and members of the management. At this meeting, the IDs inter-alia reviewed the performance of the non-independent directors and the board of directors as a whole, reviewed the performance of the chairman of the board and assessed the quality, quantity and timeliness of flow of information between the management and the board of directors.

## 2.6 Familiarization Programme for Independent Directors (ID)

The Executive Director of the Company provides a brief of the industry and business of the Company to the new ID and also has a discussion to familiarize the ID with the Company's operations. At the time of regularization of the appointment of an ID, the appointment is formalized by issuing a letter to the director, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a director of the Company. The Company also from time to time familiarizes the IDs about the Company,

its product, business and the on-going events relating to the Company through presentations.

The details on the Company's Familiarisation Programme for IDs can be accessed at: [http://www.goacarbon.com/downloads/Familiarization%20Programmes%20for%20IDs\\_NEW.pdf](http://www.goacarbon.com/downloads/Familiarization%20Programmes%20for%20IDs_NEW.pdf)

## 2.7 Performance evaluation criteria for Independent Directors

The Independent Directors are evaluated on parameters like Director's attendance/preparedness at meetings, contribution to the Board in terms of skill/expertise, interpersonal relationship with other directors, ability to encourage implementation of the best corporate governance practices, safeguarding the interest of the minority shareholders and how the Independent Director is able to bring independent judgment/views during board deliberations on potential conflicts of interest of management, board members and the promoters etc. in addition to the criteria for evaluation of Non-Executive Directors.

### 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 Regulation 18(1) of the Listing Regulations read with Section 177 of the Companies Act, 2013.

The representative(s) of the Statutory Auditors, the Internal Auditors and the Chief Financial Officer are regular invitees to the Audit Committee meetings. Mr. P. S. Mantri, Company Secretary, is the Secretary to the Committee and attends all the Committee meetings. The Committee meets at least once a quarter. The terms of reference of the Audit Committee are as per the guidelines set out in Part C of Schedule II of the Listing Regulations. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditor and the statutory auditor and notes the processes and safeguards employed by each of them.

Six meetings of the Committee were held during the financial year ended 31<sup>st</sup> March, 2017 on 11<sup>th</sup> April, 2016, 5<sup>th</sup> July, 2016, 26<sup>th</sup> July, 2016, 12<sup>th</sup> August, 2016, 6<sup>th</sup> October, 2016 and 12<sup>th</sup> January, 2017. The gap between no two meetings exceeded one hundred and twenty days. The quorum was present for all the above six meetings.

#### The composition of the Committee and the attendance details of the members are given below:

Names of Members	Profession	Category	No. of meetings attended
Mr. Dara P. Mehta - <i>Chairman</i>	Solicitor	ID	3
Mr. Keki M. Elavia	Chartered Accountant	ID	5
Mr. Raman Madhok	Corporate Consultant	ID	6

ID – Independent Director

#### Note:

Mr. Dara P. Mehta, Chairman of the Audit Committee could not attend the AGM of the Company held on 6<sup>th</sup> July, 2016 since he was out of the country. However, he authorized Mr. Keki M. Elavia to attend and answer shareholders queries, if any, on his behalf.

### 4. Nomination and Remuneration Committee

#### 4.1 Details of the composition of the Nomination and Remuneration Committee and attendance of the members are as follows:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) & (2) of the Listing Regulations read with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in Part D(A) of Schedule II of the Listing Regulations.

The Nomination and Remuneration Committee of the Company comprises of three NEDs all of whom are IDs namely Mr. Keki M. Elavia (Chairman), Mr. Raman Madhok and Ms. Kiran Dhingra.

One meeting of the Committee was held during the financial year ended 31<sup>st</sup> March, 2017 on 11<sup>th</sup> April, 2016.

#### The composition of the Committee and the attendance details of the members are given below:

Name of Members	Category	No. of meetings attended
Mr. Keki M. Elavia – <i>Chairman</i>	ID	1
Mr. Raman Madhok	ID	1
Ms. Kiran Dhingra	ID	1

ID – Independent Director

#### Note:

Mr. Keki M. Elavia, Chairman of the Nomination and Remuneration Committee was present at the AGM of the Company held on 6<sup>th</sup> July, 2016.

#### 4.2 Nomination and Remuneration Policy

The Company has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of the Company at [www.goacarbon.com](http://www.goacarbon.com).

### 5. Share Transfer, Investors' Grievance and Stakeholders Relationship Committee

#### 5.1 Details of the composition of the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee, meetings and attendance of the members are as follows:

The Share Transfer, Investors' Grievance and Stakeholders Relationship Committee of the Company is headed by a NED.



Four meetings of the Committee were held during the financial year ended 31<sup>st</sup> March, 2017 on 11<sup>th</sup> April, 2016, 6<sup>th</sup> July, 2016, 6<sup>th</sup> October, 2016 and 13<sup>th</sup> January, 2017.

**The composition of the Committee and the attendance details of the members are given below:**

Name of Members	Category	No. of meetings attended
Mr. Raman Madhok – <i>Chairman</i>	ID	4
Dr. A. B. Prasad	ID	3
Mr. Rajesh S. Dempo	NED	4

ID – Independent Director; NED – Non-Executive Director

## 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/transmission of shares, non-receipt of share certificates, non-receipt of annual report and non-receipt of dividend warrants etc.

## 5.3 Details of Shareholders' complaints

During the year under review, the Company has received and resolved 2 complaints. The complaints received were resolved to the satisfaction of the shareholders. No complaints remained pending as on 31<sup>st</sup> March, 2017.

## 5.4 Compliance Officer

Name, designation and address of Compliance Officer under Regulation 6(1) of the Listing Regulations:

P. S. Mantri, *Company Secretary*  
Goa Carbon Limited  
Dempo House, Campal, Panaji-Goa 403001  
Tel.: (0832) 2441354 Fax: (0832) 2427192  
Email: [legal@goacarbon.com](mailto:legal@goacarbon.com)

## 6. Corporate Social Responsibility (CSR) Committee

### 6.1 Details of the composition of the CSR Committee, meetings and attendance of the members are as follows:

In terms of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility (CSR) Committee to monitor the Corporate Social Responsibility

Policy of the Company and the activities included in the policy.

The Committee comprises of three directors namely Mr. Shrinivas V. Dempo, Chairman, Mr. Raman Madhok and Mr. Jagmohan J. Chhabra.

No meeting of the Committee was held during the financial year ended 31<sup>st</sup> March, 2017.

## 7. Project Review Committee

### 7.1 Details of the composition of the Project Review Committee, meetings and attendance of the members are as follows:

The Project Review Committee was constituted to review new projects and monitor the progress of the projects.

The Committee comprises of four directors namely Mr. Shrinivas V. Dempo, Chairman, Mr. Keki M. Elavia, Mr. Raman Madhok and Mr. Jagmohan J. Chhabra.

No meeting of the Committee was held during the financial year ended 31<sup>st</sup> March, 2017.

## 8. Resources Raising Committee

### 8.1 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 four directors namely Mr. Shrinivas V. Dempo, Chairman, Mr. Dara P. Mehta, Mr. Keki M. Elavia and Mr. Raman Madhok.

No meeting of the Committee was held during the financial year ended 31<sup>st</sup> March, 2017.

## 9. General Meetings and Postal Ballot

### 9.1 Location and time, where last three AGMs were held:

Financial Year Ended	Date & Time	Venue
31 <sup>st</sup> March, 2014	6 <sup>th</sup> September, 2014 at 10.30 a.m.	Dempo House, Campal, Panaji-Goa 403001
31 <sup>st</sup> March, 2015	8 <sup>th</sup> July, 2015 at 10.30 a.m.	
31 <sup>st</sup> March, 2016	6 <sup>th</sup> July, 2016 at 10.30 a.m.	

The following is/are the special resolution(s) passed at the previous three AGMs:

AGM held on	Special Resolution passed	Summary
6 <sup>th</sup> September, 2014	Yes	1. Ratification of remuneration of ₹ 122.68 lacs paid to Mr. Jagmohan J. Chhabra, Executive Director during the period from 1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014. 2. Borrowing an amount not exceeding ₹ 100 crore.
8 <sup>th</sup> July, 2015	Yes	Ratification of remuneration of ₹ 114.88 lacs paid to Mr. Jagmohan J. Chhabra, Executive Director during the period from 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015.
6 <sup>th</sup> July, 2016	Yes	1. Ratification of remuneration of ₹ 114.83 lacs paid to Mr. Jagmohan J. Chhabra, Executive Director during the period from 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016. 2. Re-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 1 <sup>st</sup> April, 2016 for a period of 3 years.

## 9.2 Postal Ballot

For the financial year ended 31<sup>st</sup> March, 2017, 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.

## 10. Means of Communication

The quarterly and annual financial results were published in the Financial Express/Navhind Times (English Dailies) and Navprabha (Marathi Daily). The results were also displayed on the Company's website at [www.goacarbon.com](http://www.goacarbon.com). The shareholders can access the Company's website for financial information, shareholding information etc.

All price sensitive information and matters which are material and relevant to shareholders are intimated to the Stock Exchanges where the securities of the Company are listed.

The Company submits to BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE) all compliances, disclosures and communications through BSE's Listing Centre and NSE's NEAPS portal.

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

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

## 11. Other Disclosures

### 11.1 Related Party Transactions/Materially significant related party transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the year were at an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. In terms of Regulation 23(1) of the Listing Regulations, the Board of Directors has approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at: [http://www.goacarbon.com/downloads/Related %20Party%20 Transaction%20Policy\\_GOA%20 CARBON%20LIMITED.pdf](http://www.goacarbon.com/downloads/Related%20Party%20Transaction%20Policy_GOA%20CARBON%20LIMITED.pdf)

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.

### 11.2 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.

### 11.3 Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations.

The Company has partially adopted the non-mandatory requirements. Disclosures of the extent to which the discretionary requirements have been adopted are given in Item No. 12.19 of this report.

#### 11.4 Policy for Determining Material Subsidiaries

In terms of Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at: [http://www.goacarbon.com/downloads/Policy%20for%20determining%20material%20subsidiaries\\_GOA%20CARBON%20LIMITED.pdf](http://www.goacarbon.com/downloads/Policy%20for%20determining%20material%20subsidiaries_GOA%20CARBON%20LIMITED.pdf)

#### 11.5 Code of Conduct

In terms of Regulation 17(5) of the Listing Regulations, the Company has adopted the Code of Conduct for the Board Members and Senior Management of the Company which has been posted on the Company's website [www.goacarbon.com](http://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:**

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 Company's Code of Conduct during the financial year ended 31<sup>st</sup> March, 2017.

Panaji, Goa  
11<sup>th</sup> April, 2017

**Jagmohan J. Chhabra**  
*Executive Director*

#### 11.6 Compliance Certificate from CEO/CFO

As required by Regulation 17(8) of the Listing Regulations, the CEO and CFO of the Company have furnished the Compliance Certificate of the financial statements for the year to the Board of Directors. The same is enclosed at the end of the report.

#### 11.7 Whistle Blower Policy

The Company has in place a Vigil Mechanism/ Whistle blower Policy. The policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

#### 11.8 Details of non-compliance with requirements of corporate governance report

The Company has complied with all the requirements of the corporate governance report as specified in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

#### 11.9 Details of compliance with corporate governance requirements

The Company has complied with the corporate governance requirements as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 11.10 Auditors' certificate on corporate governance

As required by the Listing Regulations, the compliance certificate from the auditors regarding compliance of conditions of corporate governance is annexed to the directors' report.

### 12. General Shareholder Information

#### 12.1 Annual General Meeting

Date and Time : Friday, 30<sup>th</sup> June, 2017 at 10.30 a.m.

Venue : Dempo House,  
Campal, Panaji,  
Goa 403001

#### 12.2 Financial Year Dates (2017-18)

(Tentative and subject to change)

Results for quarter ending 30 <sup>th</sup> June, 2017	By 15 <sup>th</sup> August, 2017
Results for quarter ending 30 <sup>th</sup> September, 2017	By 15 <sup>th</sup> November, 2017
Results for quarter ending 31 <sup>st</sup> December, 2017	By 15 <sup>th</sup> February, 2018
Results for quarter ending 31 <sup>st</sup> March, 2018	By 15 <sup>th</sup> May, 2018
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2018	By September, 2018

#### 12.3 Book Closure Date

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from Saturday, 24<sup>th</sup> June, 2017 to Friday, 30<sup>th</sup> June, 2017 (both days inclusive).

#### 12.4 Dividend Payment Date

Interim dividend for 2016-17 was paid on 8<sup>th</sup> February, 2017.

Final dividend, if declared at the Annual General Meeting to be held on 30<sup>th</sup> June, 2017, will be credited/dispatched on 14<sup>th</sup> July, 2017 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 23<sup>rd</sup> June, 2017.

## 12.5 Listing of Equity Shares

The Company's shares are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The address of BSE and NSE are as follows:

Name of Stock Exchange	Address & Contact details
BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Tel.: (022) 22721233/4; Fax: (022) 22721919 Website: <a href="http://www.bseindia.com">www.bseindia.com</a>
National Stock Exchange of India Ltd.	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Tel.: (022) 26598100 - 8114; Fax: (022) 26598120 Website: <a href="http://www.nseindia.com">www.nseindia.com</a>

The Listing fees for the year 2017-18 have been paid to BSE and NSE.

## 12.6 Stock Codes

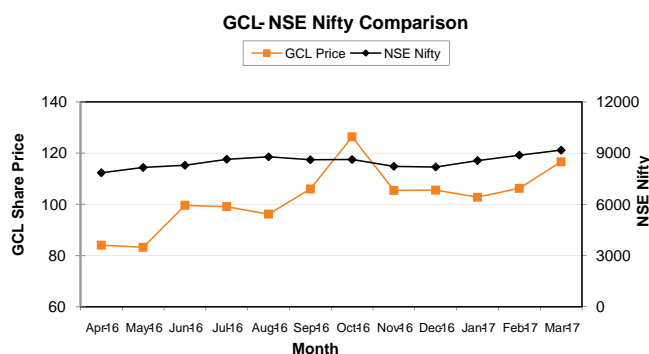
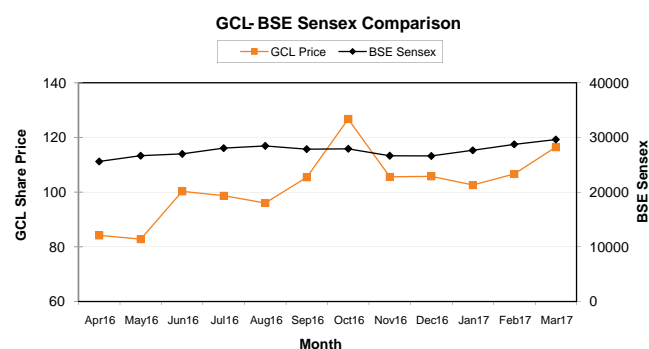
Name of Stock Exchange	Scrip Code	Demat ISIN Number in NSDL & CDSL
BSE Ltd.	509567	INE426D01013
National Stock Exchange of India Ltd.	GOACARBON	

## 12.7 Market Price Data (In ₹)

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April 2016	98.10	74.70	18,31,622	98.40	74.50	57,49,133
May 2016	89.55	76.35	7,69,224	89.35	76.15	9,10,353
June 2016	107.45	80.80	21,90,091	107.40	80.40	63,37,847
July 2016	110.35	94.95	10,82,745	110.35	94.60	38,55,778
August 2016	102.00	86.50	5,98,641	101.90	86.10	20,37,928
September 2016	121.45	89.80	17,39,239	121.50	89.65	64,53,609
October 2016	141.00	106.90	26,59,577	141.50	107.10	1,14,42,026
November 2016	128.00	85.10	3,79,654	127.90	90.35	12,46,164
December 2016	109.80	96.30	6,38,901	109.50	95.30	23,21,448
January 2017	129.50	101.50	12,18,341	129.25	102.30	50,73,524
February 2017	110.60	100.00	3,82,650	111.10	99.60	13,99,265
March 2017	117.70	103.15	3,92,443	117.90	103.00	13,73,388

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

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



## 12.9 Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.  
C 101, 247 Park,  
LBS Marg, Vikhroli (West), Mumbai 400083  
Ph.: (022) 49186270 Fax: (022) 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## 12.10 Share Transfer System

Share Transfers in physical form can be lodged with the Company's Registrar and Share Transfer Agents. The Board of Directors have delegated powers to the Registrar and Share Transfer Agents for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, rematerialization and dematerialization etc., as and when such requests are received. Shares held in dematerialized form are traded electronically in the Depositories. As at 31<sup>st</sup> March, 2017 no equity shares were pending for transfer.

As per the requirement of Regulation 40(9) of the Listing Regulations, 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.

### 12.11 Shares in Unclaimed Suspense Account (Demat)

The details of the shares lying in the Unclaimed Suspense Account (Demat) is as follows:

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. 1 <sup>st</sup> April, 2016.	1,318	31,534
Number of shareholders who approached the Company/RTA for transfer of shares from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March, 2017.	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March, 2017.	-	-
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31 <sup>st</sup> March, 2017.	926*	31,534

The voting rights in respect of outstanding shares lying in the Unclaimed Suspense Account (Demat) shall remain frozen till the rightful owner of such shares claims the shares.

\* Consolidation of the common folios in the database in respect of the undelivered bonus share certificates issued in 1991 and the undelivered bonus share certificates issued in 1997 has been carried out as a result of which the actual number of shareholders stands revised to 926.

### 12.12 Distribution of Shareholding

Distribution Schedule as on 31<sup>st</sup> March, 2017

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
Upto 500	15,016	93.27	15,01,773	16.41
501 to 1000	603	3.75	4,91,885	5.38
1001 to 2000	255	1.58	3,84,678	4.20
2001 to 3000	73	0.45	1,86,503	2.04
3001 to 4000	46	0.29	1,64,271	1.80
4001 to 5000	30	0.19	1,42,983	1.56
5001 to 10000	45	0.28	3,10,216	3.39
10001 and above	31	0.19	59,68,743	65.22
<b>TOTAL</b>	<b>16,099</b>	<b>100.00</b>	<b>91,51,052</b>	<b>100.00</b>

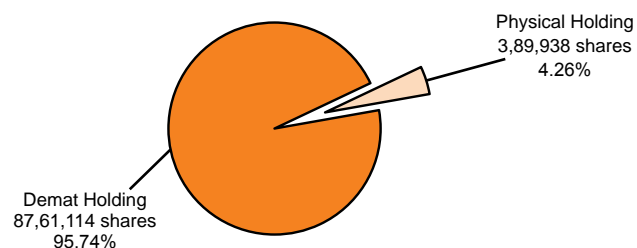
### Distribution of Shareholding (Categorywise) as on 31<sup>st</sup> March, 2017

Category	No. of share-holders	No. of Shares held	% of Share-holding
Promoters Directors, their relatives & Associates	6	55,03,279	60.14
Mutual Funds/UTI	1	550	0.01
Financial Institutions/Banks	13	23,511	0.25
Bodies Corporate	219	2,96,687	3.24
Non-Resident Indians (NRI's)	119	1,19,787	1.31
Resident Individuals/Trusts/HUF	15,569	30,66,287	33.51
Clearing Members	172	1,40,951	1.54
<b>TOTAL</b>	<b>16,099</b>	<b>91,51,052</b>	<b>100.00</b>

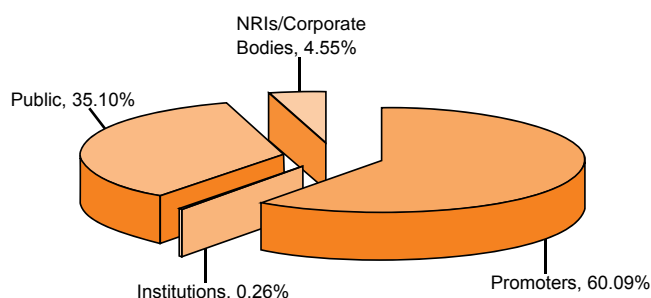
### 12.13 Dematerialisation of shares and liquidity

As on 31<sup>st</sup> March, 2017, 95.74% of the Company's paid-up capital representing 87,61,114 shares were held in dematerialized form as compared to 95.65% of the Company's paid-up capital representing 87,53,323 shares as on 31<sup>st</sup> March, 2016.

### Shares held in Demat/Physical form as at 31<sup>st</sup> March, 2017



### Shareholding Pattern as on 31<sup>st</sup> March, 2017





#### 12.14 Outstanding GCRs/ADRs/Warrants or any Convertible instruments

- Nil -

#### 12.15 Commodity price risks or foreign exchange risks and hedging activities

This has been discussed in detail in the Management Discussion and Analysis Report, which forms part of the Directors' Report.

#### 12.16 Plant Locations

<b>Goa Plant</b>	St. Jose de Areal, Salcete, Goa - 403709
<b>Bilaspur Plant</b>	34-40, Sector B, Sirgitti Industrial Area, Bilaspur - 495004, Chattisgarh
<b>Paradeep Plant</b>	Vill. Udayabata, P.O. Paradeepgarh, Dist. Jagatsinghpur, Odisha - 754142

#### 12.17 Address of the Subsidiary

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

#### 12.18 Address for correspondence

Investor correspondence for transfer/dematerialisation of shares, queries relating to payment/revalidation of dividend on shares and any other query relating to the shares of the Company should be addressed to -

**Link Intime India Pvt. Ltd.**  
C 101, 247 Park,  
LBS Marg, Vikhroli (West), Mumbai - 400083  
Ph.: (022) 49186270 Fax: (022) 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Investor complaints, if any, may be addressed to -  
P. S. Mantri, *Company Secretary*  
Goa Carbon Limited  
Dempo House, Campal,  
Panaji, Goa - 403001  
Tel.: (0832) 2441354 Fax: (0832) 2427192  
Email: [investorrelations@goacarbon.com](mailto:investorrelations@goacarbon.com)

#### 12.19 Status of compliance with discretionary requirements

The Listing Regulations requires disclosures of adoption by the Company of discretionary requirements as specified in Part E of Schedule II of the said regulations, which as the name suggests, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of the discretionary requirements is given below:-

##### (a) The Board:

An office with required facilities for the non-executive Chairman is not provided/maintained by the Company. However, the Company reimburses the expenses incurred by the non-executive Chairman in the performance of his duties.

##### (b) Shareholders Rights:

Since the quarterly, half yearly and annual financial results of the Company are posted on the Company's website, these are not sent individually to the shareholders of the Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company under the 'Investors' section. The complete Annual Report is sent to every Shareholder of the Company.

##### (c) Modified opinion(s) in audit report:

It is always the Company's endeavour to present unqualified Financial Statements. There is no audit qualification in the Company's Financial Statements for the financial year ended 31<sup>st</sup> March, 2017.

##### (d) Separate posts of Chairperson and Chief Executive Officer:

Mr. Shrinivas V. Dempo is the Chairman of the Company and Mr. Jagmohan J. Chhabra is the Whole-time Director of the Company designated as "Executive Director".

##### (e) Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

# INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

## TO THE MEMBERS OF GOA CARBON LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter reference No. DHS-C/GCL/2016-17 dated 7<sup>th</sup> July, 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of Goa Carbon Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

1. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2017.
2. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)

Place : Panaji, Goa  
Date : 11<sup>th</sup> April, 2017

**C. R. Rajagopal**  
Partner  
(Membership No. 23418)

## COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) & AS SPECIFIED IN PART B OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

- (a) We have reviewed financial statements and the cash flow statement of the Company for the financial year ended 31<sup>st</sup> March, 2017 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 year, 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 that there is no:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year requiring disclosure 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*  
DIN: 01007714

**K. Balaraman**  
*Sr. General Manager (Finance) & CFO*  
M. No. ACA – 029283

Place : Panaji, Goa  
Date : 11<sup>th</sup> April, 2017

# SECRETARIAL AUDIT REPORT

## FORM MR- 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

To,  
The Members,  
Goa Carbon Limited  
Dempo House, Campal,  
Panaji, Goa - 403001

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

Based on my verification of the **GOA CARBON LIMITED'S** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; .....**Not applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; .....**Not applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; .....**Not applicable**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; .....**Not applicable**

(vi) The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The other laws as may be applicable specifically to the Company are:-

### A. Tax Legislations:

1. The Income tax Act, 1961;

2. Central Sales Tax Act, 1956 and Goa Value Added Tax Act, 2005;
3. Central Sales Tax Act, 1956 and Chhattisgarh Vat (Amendment) Act, 2005;
4. Central Sales Tax Act, 1956 and Orissa Vat Act, 2004;
5. Goa Tax on Entry of Goods Act, 2000;
6. Orissa Entry Tax Act, 1999;
7. Chhattisgarh Value Added Tax Act, 2005;
8. Chapter V and VA of the Finance Act, 1994 (Service Tax)
9. Central Excise Act, 1944;
10. The Odisha State tax on Professions, trade, Callings and Employment Act, 2000.

**B. Labour Laws:**

1. Payment of Bonus Act, 1965.
2. Employees State Insurance Act, 1948, the Employees State Insurance (General Regulations, 1950, The Employees State Insurance (Central) Rules, 1950.
3. The Employees Exchange (Compulsory Notification of Vacancies) Act, 1959 and The Employment Exchange (Compulsory Notification of Vacancies) Rules, 1960.
4. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
5. Employees Pension Scheme, 1995.
6. The Payment of Gratuity Act, 1972, The Goa Daman and Diu Payment of Gratuity Rules, 1973, and the Payment of Gratuity (Central) Rules, 1972.
7. The Goa, Daman and Diu Shops and establishments Act, 1973 & The Goa Daman and Diu Shops and Establishments Rules, 1975.
8. The Goa Daman and Diu Labour Welfare Fund Act, 1986 & The Goa Labour Welfare Fund Rules, 1990.
9. Contract Labour (Regulations & Abolition) Act, 1970 and The Goa Daman and Diu Contract Labour (Regulations & Abolition) Rules, 1972;
10. (a) Minimum Wages Act, 1948 with Goa Daman and Diu Minimum Wages Rules, 1975;  
(b) Minimum Wages Act, 1948 with Chhattisgarh Minimum Wages Rules 1958;  
(c) Minimum Wages Act, 1948 with Orissa Minimum Wages Rules.

11. The Maternity Benefit Act, 1961 and The Goa Daman and Diu Maternity Benefit Rules, 1967;
12. Motor Transport Workers Act, 1961;
13. Industrial Disputes Act, 1947 and The Industrial Disputes (Central) Rules, 1957;
14. Factories Act, 1948;
15. The Apprentices Act, 1961 and the Apprentices Rules, 1992.

**C. Environmental Legislations:**

1. The Petroleum Act, 1934 and the Petroleum Rules, 2002.
2. The Hazardous Wastes (Management, Handling and Transboundary Rules, 2008.
3. Gas Cylinder Rules, 2004;
4. The Water (Prevention and Control of Pollution Act, 1974 & The Water (Prevention and Control of Pollution) Cess Rules, 1975.
5. The Water (Prevention and Control of Pollution Act, 1977 & The Water (Prevention and Control of Pollution) Cess Rules, 1978.
6. The Air Prevention and Control of Pollution Act, 1981 & The Goa air Prevention and Control of Pollution Rules, 1989;
7. The Environment (Protection) Act, 1986 & the Environment (Protection) Rules, 1986.
8. The Noise Pollution (Regulation and Control) Rules, 2000;
9. The Goa Ground Water Regulation Act, 2002 and Rules, 2003.

**D. Other Legislations:**

1. The Legal Metrology Act, 2009 & Goa Metrology Rules, 2011;
2. Standard Weights and Measure Act, 1976;
3. The Electricity Act;

**I further report that,** based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Executive Director/Internal Auditor, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable

general laws like Labour laws, Environment laws and other legislations.

**I further report that** the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Service tax and others detailed under Tax Legislations, have not been reviewed and I have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015;

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

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

**I further report that** during the audit period there are no instances of major bearing on the company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. during the year under review.

**Sadashiv V. Shet**

Practicing Company Secretary

Place: Panaji, Goa

FCS No.: 2477

Date : 11<sup>th</sup> April, 2017

C P No.: 2540



# STANDALONE FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GOA CARBON LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GOA CARBON LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, 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.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the

Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit 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 aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016; and such disclosures are in accordance with the books of accounts maintained by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm Registration No. 008072S)

**C. R. Rajagopal**

Partner  
(Membership No. 23418)

Place: Panaji, Goa  
Date: 11<sup>th</sup> April, 2017

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of **GOA CARBON LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the

risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the

Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm Registration No. 008072S)

**C. R. Rajagopal**

Partner  
(Membership No. 23418)

Place: Panaji, Goa

Date: 11<sup>th</sup> April, 2017

## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - 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.
  - Immovable properties of land and buildings whose title deeds have been pledged as security for cash credit and buyer’s credit facilities taken from banks are held in the name of the Company based on the confirmations directly received by us from banks. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements and the buildings constructed on such leasehold land, whose lease deeds have been pledged as security for cash credit and buyer’s credit facilities taken from banks, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement based on the confirmations directly received by us from banks.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans, or provided guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues applicable to it to the appropriate authorities, except Cess.
  - There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable, except cess. The arrears of “Goa green cess” outstanding for more than six months as at 31<sup>st</sup> March, 2017 aggregates ₹ 174.17 lacs.
  - There are no dues of Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on 31<sup>st</sup> March, 2017 on account of disputes. Details of dues of Income-tax which have not been deposited as on 31<sup>st</sup> March, 2017 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)
Income Tax Act, 1961	Income Tax	High Court of Bombay-Goa Bench	AY 2013-14	165.83



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under Clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all

transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under Clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm Registration No. 008072S)

**C. R. Rajagopal**

Partner  
(Membership No. 23418)

Place: Panaji, Goa

Date: 11<sup>th</sup> April, 2017

# BALANCE SHEET

## AS AT 31ST MARCH, 2017

		₹ in lacs
	Note	As on 31 <sup>st</sup> March, 2017
<b>EQUITY AND LIABILITIES</b>		As on 31 <sup>st</sup> March, 2016
<b>SHAREHOLDER'S FUNDS</b>		
Share capital	3	915.11
Reserves and surplus	4	6,183.86
		<u>7,098.97</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities (net)	5	174.68
<b>CURRENT LIABILITIES</b>		
Short-term borrowings	6	20,541.29
Trade payables	7	
– Total outstanding dues of micro enterprises and small enterprises		0.35
– Total outstanding dues of creditors other than micro enterprises and small enterprises		906.65
Other current liabilities	8	1,090.37
Short-term provisions	9	895.13
		<u>27.46</u>
		<u>22,554.25</u>
<b>Total</b>		<u><u>26,253.15</u></u>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Fixed Assets		
– Tangible assets	10	2,724.37
– Non-current investments	11	939.86
– Long-term loans and advances	12	522.16
– Other non-current assets	13	1,433.07
		<u>5,619.46</u>
<b>CURRENT ASSETS</b>		
Inventories	14	8,743.67
Trade receivables	15	1,912.08
Cash and cash equivalents	16	11,830.45
Short-term loans and advances	17	1,522.08
Other current assets	18	200.16
		<u>24,208.44</u>
<b>Total</b>		<u><u>26,253.15</u></u>

See accompanying notes forming part of the financial statements

1 - 41

**In terms of our report attached**

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017**For and on behalf of the Board of Directors**

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
₹ in lacs			
<b>REVENUE FROM OPERATIONS</b>			
Revenue from sale of products			
Sale of calcined petroleum coke		33,163.34	35,959.13
Less: Excise duty		4,070.76	4,413.61
Net sales		29,092.58	31,545.52
Other operating revenue	19	15.90	57.11
Other income	20	902.62	560.22
		30,011.10	32,162.85
<b>EXPENSES</b>			
Cost of materials consumed	21	22,567.63	24,795.55
Changes in inventories of finished goods	22	(601.26)	824.62
Employee benefits expense	23	1,776.67	1,630.59
Finance costs	24	669.51	1,521.44
Depreciation and amortisation expense	10	189.03	186.57
Other expenses	25	3,845.08	3,653.35
		28,446.66	32,612.12
<b>Profit / (Loss) before tax</b>		1,564.44	(449.27)
<b>Tax expense/(benefit):</b>			
Current tax expense		334.00	-
MAT Credit		(96.44)	-
Prior year taxes		78.14	2.03
Deferred tax		306.25	(143.65)
Net tax expense/(benefit)		621.95	(141.62)
<b>Profit/(Loss) for the year</b>		942.49	(307.65)
<b>Earnings per equity share of ₹ 10/- each (Basic and diluted) (₹)</b>	37	10.30	(3.36)
See accompanying notes forming part of the financial statements	1 - 41		

## In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017

## For and on behalf of the Board of Directors

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31 <sup>st</sup> March, 2017	₹ in lacs Year ended 31 <sup>st</sup> March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	1,564.44	(449.27)
<u>Adjustments for:</u>		
Depreciation and amortisation expense	189.03	186.57
Finance costs	669.51	1,521.44
Loss on assets sold/scrapped	24.74	0.97
Bad debts written off	8.49	53.08
Interest income	(548.09)	(536.85)
Provision for doubtful debts written back	(10.79)	(15.15)
Sundry credit balances written back	(0.15)	(4.24)
Profit on sale of assets	(0.14)	(0.60)
Unrealised exchange loss/(gain)- (net)	(376.45)	0.77
Dividend income	(3.38)	(3.38)
	(47.23)	1,202.61
Operating Profit before working capital changes	1,517.21	753.34
<u>Changes in working capital</u>		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Inventories	424.93	811.20
Trade receivables	(268.79)	1,055.65
Short-term loans and advances	215.56	(36.17)
Other current assets	(47.36)	1.55
Long-term loans and advances	0.18	(35.23)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade payables	(183.20)	308.62
Other current liabilities	186.30	(68.78)
Short-term provisions	8.27	(83.14)
	335.89	1,953.70
Cash flow from operations	1,853.10	2,707.04
Direct taxes (net)	(300.31)	748.03
<b>Net cash from operating activities</b>	1,552.79	3,455.07
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets including capital advances	(41.97)	(269.40)
Proceeds from sale of fixed assets	1.25	1.33
Margin money and bank deposits realised/(placed)	629.20	(6,810.71)
Interest received	671.05	400.70
Tax on interest income	(116.97)	-
Dividend received	3.38	3.38
<b>Net cash from/(used in) investing activities</b>	1,145.94	(6,674.70)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	Year ended 31 <sup>st</sup> March, 2017	₹ in lacs Year ended 31 <sup>st</sup> March, 2016
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of short-term borrowings from Banks (Net)	(4,295.16)	4,593.71
Finance costs	(666.73)	(1,119.46)
Dividends paid	(137.27)	(91.51)
Tax on dividend paid	(27.94)	(18.63)
<b>Net cash(used in)/from financing activities</b>	<b>(5,127.10)</b>	<b>3,364.11</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS ( A + B + C )</b>	<b>(2,428.37)</b>	<b>144.48</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>2,581.64</b>	<b>2,437.17</b>
Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents	(0.06)	(0.01)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>153.21</b>	<b>2,581.64</b>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	8,772.21	11,830.45
Less: Bank balances not considered as Cash and Cash equivalents		
Unpaid dividend account	(33.30)	(33.91)
Deposits more than 3 months	(5,139.94)	(5,231.65)
Margin money deposits	(3,445.76)	(3,983.25)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR *</b>	<b>153.21</b>	<b>2,581.64</b>
* Comprises		
Cash on hand	2.79	2.90
Balances with banks		
In current accounts	50.42	48.74
In deposit account with original maturity less than 3 months	100.00	2,530.00

See accompanying notes forming part of the financial statements 1 - 41

### In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017

### For and on behalf of the Board of Directors

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

## 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 of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. 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 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 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 useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the useful life of the assets has been assessed by the Management as under.

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 settlement/restatement 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. Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expenses in the Statement of Profit and Loss.

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; and

(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 as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund:

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 scheme 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 each balance sheet date. The actuarial valuation is done based on the "Projected Unit Credit" method. Actuarial gains and losses are charged to the Statement of Profit and Loss under the head "Contribution to provident and other funds".

##### *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. 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 are 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**

Tax expense comprises current and deferred taxes

**Current Tax:**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement of Minimum Alternate Tax.

**Minimum Alternate Tax:**

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset if there is convincing evidence that the Company will pay normal income tax during the specified period. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**Deferred Tax:**

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of

items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**n Impairment of assets**

The carrying values of assets/cash generating units are reviewed at each balance sheet date for 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 book value of the assets. In assessing the impairment, the recoverable amount of each cash generating unit is ascertained from the valuation carried out by the independent Government approved valuer and compared with the book value of the assets at the year end.

**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.

**3. SHARE CAPITAL**

Authorised:

Equity shares of ₹ 10/- each with voting rights

Preference shares of ₹ 100/- each

Issued, subscribed and fully paid up:

Equity shares of ₹ 10/- each with voting rights

i There has been no movement in equity share capital during the year.

ii The Company has only one class of equity shares having face value of ₹ 10/-. Each holder is entitled to one vote per equity share. During the year, the Company has paid Interim Dividend of ₹ 1.50 per equity share (₹ 137.27 lacs) on 17<sup>th</sup> January, 2017. 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 ₹ 274.53 lacs (Previous year ₹ Nil lacs) and the related amount per equity share is ₹ 3/- (Previous year ₹ Nil).

Repayment of capital will be in proportion to the number of equity shares held.

iii Details of equity shares held by each shareholder holding more than 5% shares

V. S. Dempo Holdings Private Limited, the holding company

As at 31 March, 2017		As at 31 March, 2016	
Number of Shares	₹ in lacs	Number of Shares	₹ in lacs
22,000,000	2,200.00	22,000,000	2,200.00
300,000	300.00	300,000	300.00
	<b>2,500.00</b>		<b>2,500.00</b>
9,151,052	915.11	9,151,052	915.11
	<b>915.11</b>		<b>915.11</b>
	<b>% held</b>		<b>% held</b>
5,069,040	55.40	5,069,040	55.40

**4. RESERVES AND SURPLUS**

Securities premium account

Amalgamation reserve

General reserve

Surplus in Statement of Profit and Loss

Opening balance

Add/Less: Profit/(Loss) for the year

Less: Interim dividend

Tax on Interim dividend

Closing balance

As at 31 March, 2017		As at 31 March, 2016	
	₹ in lacs		₹ in lacs
3,131.01	3,131.01		3,131.01
475.38	475.38		475.38
1,803.05	1,803.05		1,803.05
774.42	1,082.07		1,082.07
942.49	(307.65)		(307.65)
1,716.91	774.42		774.42
137.27	-		-
27.94	-		-
1,551.70	774.42		774.42
6,961.14	6,183.86		6,183.86

₹ in lacs

**5. DEFERRED TAX LIABILITIES (NET)**

Deferred tax liability arising on account of:

Depreciation

600.13

606.89

Deferred tax asset arising on account of:

Provision for doubtful debts/advances

6.80

10.54

Provision for employee benefits

17.51

17.35

Unabsorbed depreciation

-

265.64

Unabsorbed business loss

-

58.60

Others

94.89

80.08

119.20

432.21

480.93

174.68

**6. SHORT-TERM BORROWINGS****Secured:**

From banks

Loans repayable on demand

Cash credit

316.74

57.29

Other loans

Buyers credit

15,552.90

20,484.00

15,869.64

20,541.29

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.

**7. TRADE PAYABLES**

Total outstanding dues of micro enterprises and small enterprises (Refer Note 31)

0.35

-

Total outstanding dues of creditors other than micro enterprises and small enterprises

– Related parties (Refer Note 36(iii))

-

91.96

– Others

906.65

998.41

907.00

1,090.37

**8. OTHER CURRENT LIABILITIES**

Interest accrued but not due on borrowings

51.83

49.05

Interest accrued and due on unsecured loan from a related party (Refer Note 36 (iii))

181.01

181.01

Unclaimed dividends (Refer Note 38)

33.30

33.91

Other payables:

Statutory remittances

749.55

593.74

Advances from customers

42.54

12.70

Employee recoveries

3.11

3.64

Trade and security deposits received

22.26

21.08

817.46

631.16

1,083.60

895.13

**9. SHORT-TERM PROVISIONS**

Employee benefits

35.73

27.46

35.73

27.46



## 10. FIXED ASSETS

₹ in lacs

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	As at 01.04.2016	For the year	Deductions	As at 31.03.2017
<b>Tangible Assets</b>								
Land (Freehold)	13.58	-	-	13.58	-	-	-	13.58
	13.58	-	-	13.58	-	-	-	13.58
Land (Leasehold)	100.83	-	-	100.83	22.82	1.19	-	76.82
	100.83	-	-	100.83	21.62	1.20	-	78.01
Plot development on leasehold land	101.95	-	-	101.95	101.95	-	-	-
	101.95	-	-	101.95	101.95	-	-	-
Buildings	1,405.73	-	1.00	1,404.73	772.89	30.56	0.92	602.20
	1,405.73	-	-	1,405.73	740.63	32.26	-	632.84
Plant and equipment	4,459.57	22.39	84.42	4,397.54	2,553.11	130.34	59.91	1,774.00
	4,156.93	302.64	-	4,459.57	2,426.78	126.33	-	1,906.46
Furniture and fixtures	85.72	0.79	4.20	82.31	81.23	1.34	4.00	3.74
	85.67	0.05	-	85.72	79.67	1.56	-	4.49
Office equipments	123.72	8.72	28.54	103.90	113.72	8.01	27.50	9.67
	119.02	6.02	1.32	123.72	105.12	9.39	0.79	10.00
Vehicles	146.43	10.07	0.37	156.13	67.44	17.59	0.35	71.45
	132.26	17.93	3.76	146.43	54.20	15.83	2.59	78.99
	6,437.53	41.97	118.53	6,360.97	3,713.16	189.03	92.68	2,551.46
	6,115.97	326.64	5.08	6,437.53	3,529.97	186.57	3.38	2,724.37
<b>Intangible Assets</b>								
Technical knowhow	30.21	-	-	30.21	30.21	-	-	-
	30.21	-	-	30.21	30.21	-	-	-
Computer software	66.27	-	-	66.27	66.27	-	-	-
	66.27	-	-	66.27	66.27	-	-	-
	96.48	-	-	96.48	96.48	-	-	-
	96.48	-	-	96.48	96.48	-	-	-
<b>TOTAL</b>	6,534.01	41.97	118.53	6,457.45	3,809.64	189.03	92.68	2,551.46
<b>TOTAL</b>	6,212.45	326.64	5.08	6,534.01	3,626.45	186.57	3.38	2,724.37

Figures in Italics represent previous year figures.

	As at 31 March, 2017	As at 31 March, 2016
<b>11. NON-CURRENT INVESTMENTS</b>		
<b>Long-term investments (at cost)</b>		
Investments in equity instruments		
Quoted (Non-Trade):		
67,500 (Previous year 67,500) fully paid up equity shares of ₹ 2/-each in ICICI Bank Limited	4.05	4.05
Unquoted (Trade):		
In wholly owned subsidiary company:		
3,480,000 (Previous year: 3,480,000) fully paid up equity shares of USD 1 each in GCL Global Resources SGP Pte. Limited, Singapore	1,938.62	1,938.62
Less: Diminution in the value of investments	1,002.81	1,002.81
	<u>935.81</u>	<u>935.81</u>
	<u>939.86</u>	<u>939.86</u>
Market value of quoted investment	<u>186.87</u>	<u>159.74</u>
<b>12. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Capital advances	328.81	328.81
Security deposits	75.93	71.86
Prepaid expenses	2.21	6.46
MAT credit entitlement	96.44	-
Advance tax (net of provision ₹ 334.00 lacs (Previous year ₹ 117.00 lacs))	72.08	115.03
	<u>575.47</u>	<u>522.16</u>
<b>13. OTHER NON-CURRENT ASSETS</b>		
Taxes paid in dispute (Refer Note 26(ii) and (iii))	1,481.16	1,433.07
	<u>1,481.16</u>	<u>1,433.07</u>
<b>14. INVENTORIES</b>		
(At lower of cost and net realisable value)		
Raw materials	4,508.65	5,586.22
Finished goods	3,605.97	3,004.71
Stores and spares	204.12	152.74
	<u>8,318.74</u>	<u>8,743.67</u>
<b>15. TRADE RECEIVABLES</b>		
(Unsecured)		
Outstanding for a period exceeding six months from the date they were due for payment		
Considered good	37.57	177.59
Doubtful	19.64	30.47
	<u>57.21</u>	<u>208.06</u>
Less: Provision for doubtful trade receivables	19.64	30.47
	<u>37.57</u>	<u>177.59</u>
Other trade receivables		
Considered good	2,145.60	1,734.49
	<u>2,183.17</u>	<u>1,912.08</u>

	As at 31 March, 2017	As at 31 March, 2016
₹ in lacs		
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	2.79	2.90
Balances with banks		
In current accounts	50.42	48.74
In deposit accounts	5,239.94	7,761.65
Unpaid dividend accounts	33.30	33.91
Margin money deposits and security against borrowings	3,445.76	3,983.25
	<b>8,769.42</b>	<b>11,827.55</b>
	<b>8,772.21</b>	<b>11,830.45</b>
Of the above the balances that meet the definition of cash and cash equivalents as per AS-3 on cash flow statements.	153.21	2,581.64
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured considered good unless otherwise stated)		
Loans and advances to related parties (Refer Note 36(iii))	190.88	190.88
Security and tender deposits	3.00	5.00
Loans and advances to employees	5.91	10.14
Other receivables	97.77	185.56
Prepaid expenses	218.29	222.88
Balances with government authorities		
CENVAT credit receivable	457.89	533.93
VAT credit receivable	72.97	72.11
Service tax credit receivable	43.27	113.29
	<b>574.13</b>	<b>719.33</b>
Advances to suppliers	216.54	188.29
	<b>1,306.52</b>	<b>1,522.08</b>
<b>18. OTHER CURRENT ASSETS</b>		
Interest accrued on margin money and other bank deposits	77.20	200.16
Unamortised premium on forward contracts	47.36	-
	<b>124.56</b>	<b>200.16</b>

₹ in lacs

	As at 31 March, 2017	As at 31 March, 2016
<b>19. OTHER OPERATING REVENUE</b>		
Sale of scrap	15.90	57.11
	<u>15.90</u>	<u>57.11</u>
<b>20. OTHER INCOME</b>		
Interest income:		
from banks deposits	542.71	415.52
on income tax refunds	-	119.22
others	5.38	2.11
	<u>548.09</u>	<u>536.85</u>
Dividend from long-term investments	3.38	3.38
Profit on sale of fixed assets	0.14	0.60
Miscellaneous income	3.15	-
Provision for doubtful debts/advances written back	10.79	15.15
Sundry credit balances written back	0.15	4.24
Net exchange gain on foreign currency transactions and translations	336.92	-
	<u>902.62</u>	<u>560.22</u>
<b>21. COST OF MATERIALS CONSUMED</b>	<u>22,567.63</u>	<u>24,795.55</u>
<b>22. CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
Inventories of finished goods at the end of the year	3,605.97	3,004.71
Inventories of finished goods at the beginning of the year	3,004.71	3,829.33
	<u>(601.26)</u>	<u>824.62</u>
<b>23. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, wages, bonus and allowances	1,409.71	1,338.83
Contribution to provident and other funds	155.89	117.12
Staff welfare expenses	211.07	174.64
	<u>1,776.67</u>	<u>1,630.59</u>

₹ in lacs

	As at 31 March, 2017	As at 31 March, 2016
<b>24. FINANCE COSTS</b>		
Interest expense on:		
borrowings	235.33	171.10
others	11.71	1.57
	<b>247.04</b>	172.67
Other borrowing costs	422.47	452.77
Net exchange loss on foreign currency transactions and translations	-	896.00
	<b>669.51</b>	<b>1,521.44</b>
<b>25. OTHER EXPENSES</b>		
Fuel and power	364.58	355.31
Excise duty on inventory differential (Refer Note 27)	83.28	(156.77)
Repairs and maintenance		
Buildings	201.91	135.53
Plant and machinery	236.61	264.60
Others	40.48	36.49
	<b>479.00</b>	436.62
Rent	55.40	63.60
Rates and taxes	55.38	124.80
Insurance	36.75	42.45
Processing/labour charges	103.09	89.85
Travelling expenses	99.98	86.67
Selling and distribution expenses	1,991.43	2,198.68
Bad debts/advances written off	8.49	53.08
Payments to auditors (net of service tax credit)		
Audit fees	13.50	13.50
Other services	9.50	9.50
Reimbursement of expenses	0.86	0.60
	<b>23.86</b>	23.60
Directors' sitting fees	12.48	10.65
Assets written off	24.74	0.97
Forward premium expenses	137.43	5.50
Miscellaneous expenses	369.19	318.34
	<b>3,845.08</b>	<b>3,653.35</b>



₹ in lacs

26.	Contingent Liabilities: (Claims against the Company not acknowledged as debts)	<b>As at 31 March, 2017</b>	As at 31 March, 2016
	i) Disallowance of Cenvat Credit and Educational Cess on purchase of raw materials	-	90.19
	ii) Income tax demands under appeal	<b>350.19</b>	610.87
	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 ₹ 901.01 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 Hon: Supreme Court praying for ex-parte stay of the aforementioned Order of the High Court. The petition is admitted and pending for hearing.	-	-
The amounts mentioned against (ii) above are based on the notice of demand or the assessment orders issued by the relevant authorities, as the case may be. The Company is contesting these demands with the relevant appellate authorities. Outflows, if any, arising out of these demands would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. However, the Company is hopeful of successful outcome in the appellate proceedings.			

27. 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".

28.	Raw materials consumed	<b>Year ended 31 March, 2017</b>		Year ended 31 March, 2016	
		₹ in lacs	%	₹ in lacs	%
	Imported	<b>21,144.20</b>	<b>93.69</b>	24,666.70	99.48
	Indigenous	<b>1,423.43</b>	<b>6.31</b>	128.85	0.52
	<b>Total</b>	<b>22,567.63</b>	<b>100.00</b>	24,795.55	100.00

29.	Value of stores & spare parts consumed for repair jobs and included under "Repairs & Maintenance" - Refer Note - 25	<b>Year ended 31 March, 2017</b>		Year ended 31 March, 2016	
		₹ in lacs	%	₹ in lacs	%
	Imported	-	-	-	-
	Indigenous	<b>217.53</b>	<b>100</b>	198.35	100

₹ in lacs

30.		<b>Year ended 31 March, 2017</b>	Year ended 31 March, 2016
	Value of imports on CIF basis		
	Raw materials	<b>18,557.92</b>	22,471.82
	Expenditure in foreign currency		
	Travelling	<b>23.33</b>	20.86
	Interest	<b>216.97</b>	141.39

31. The information as required under Micro, Small and Medium Enterprises Development Act, 2006 as received by the Company and relied upon by Auditors is as follows:-

- a) Amounts unpaid as at the year end
- i) Principal ₹ Nil (Previous year ₹ Nil)
  - ii) Interest ₹ 0.35 lacs (Previous year ₹ Nil)
- b) Amounts paid after the due date during the year
- i) Principal ₹ 52.61 lacs (Previous year ₹ Nil)
  - ii) Interest ₹ Nil (Previous year ₹ Nil)

Amount of interest accrued and unpaid as at the year-end ₹ 0.35 lacs (Previous year ₹ Nil)

**Note:** The information has been given in respect of such suppliers to the extent they could be identified as Micro and Small enterprises on basis of information available with the Company.

32. 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, 2017				As at 31 March, 2016			
Buy-Sell	No. of Contracts	US Dollars	₹ in lacs	Buy-Sell	No. of Contracts	US Dollars	₹ in lacs
Buy	19	10,182,367	6,711.89	-	-	-	-

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, 2017		As at 31 March, 2016	
	US Dollars	₹ in lacs	US Dollars	₹ in lacs
Amount payable in foreign currency				
Buyers credit	13,686,604	8,876.45	30,914,579	20,484.00
Trade payables	1,320	0.86	20,202	13.39
Interest accrued but not due on borrowings	46,864	30.39	74,026	49.05

## 33. Employee benefit plans

## a) Defined benefit plans:

- i) The following table sets out the status of the gratuity plan (included as part of "Contribution to provident and other funds" in Note 23 Employee benefits expenses) as required under AS-15 (Revised):

₹ in lacs

	Particulars	As at 31 March, 2017	As at 31 March, 2016
i)	<b>Change in present value of obligation</b>		
	Defined benefit obligation at the beginning of the year	340.64	336.51
	Current service cost	18.69	18.20
	Interest cost	26.01	24.51
	Actuarial losses/(gains)	67.88	7.65
	Benefits paid	(18.50)	(46.23)
	Defined benefit obligation at the end of the year	434.72	340.64
ii)	<b>Change in fair value of plan assets</b>		
	Fair value of plan assets at the beginning of the year	425.56	408.62
	Expected return on plan assets	40.99	31.66
	Actuarial gain/(loss)	13.04	(15.08)
	Contributions	30.00	46.59
	Benefit paid	(18.50)	(46.23)
	Fair value of plan assets at the end of the year	491.09	425.56
iii)	<b>Net assets/(liability) recognised in the Balance Sheet</b>		
	Defined benefit obligation at the end of the year	434.72	340.64
	Fair value of the plan assets at the end of the year	491.09	425.56
	Excess of funding over obligation	56.37	84.92
iv)	<b>Expenses recognised in the statement of profit and loss</b>		
	Current service cost	18.69	18.20
	Interest cost	26.01	24.51
	Expected return on plan assets	(40.99)	(31.66)
	Net actuarial losses/(gains) recognised in the year	54.84	22.73
	Net cost recognised in the statement of profit and loss	58.55	33.78
v)	<b>Return on plan assets</b>		
	Expected return on plan assets	40.99	31.66
	Actuarial gain/(loss)	13.04	(15.08)
	Actual return on plan assets	54.03	16.58
	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)	<b>Assumption</b>		
	Rate of Mortality	IALM (2006-08) UIt	
	Discount rate	7.46%	7.85%
	Expected salary increase rate	5.35%	5.00%
	Expected rate of return on plan assets	7.00%	7.00%
	Attrition rate	1.00%	1.00%
	The estimates of future salary increases considered in the actuarial valuation, take into account inflation, seniority, promotions, increments and other related factors such as supply and demand in the employment market.		

The contribution expected to be made by the Company during the financial year 2017-18 - ₹ Nil.

₹ in lacs

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Experience adjustment</b>					
Present value of obligation	434.72	340.64	336.51	365.85	354.71
Fair value of plan assets	491.09	425.56	408.62	371.66	361.70
Surplus/(deficit)	56.37	84.92	72.11	5.81	6.99
Experience adjustment on plan liabilities	(67.88)	(7.65)	38.32	14.53	11.86
Experience adjustment of plan assets	13.04	(15.08)	22.44	(2.80)	5.20

- ii) The following table set out the status of the leave encashment plan (included as part of "Salaries, wages, bonus and allowances" in Note 23 Employee benefits expense) as required under AS-15 (Revised).

₹ in lacs

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>i) Change in present value of obligation</b>		
Defined benefit obligation at the beginning of the year	127.74	119.25
Current service cost	19.69	26.61
Interest cost	9.92	8.67
Actuarial (gains)/losses	(0.09)	(10.15)
Benefits paid	(2.75)	(16.64)
Defined benefit obligation at the end of the year	154.51	127.74
<b>ii) Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	192.23	155.35
Expected return on plan assets	14.17	12.85
Actuarial gain/(loss)	0.48	0.84
Contributions	20.00	39.83
Benefit paid	(2.75)	(16.64)
Fair value of plan assets at the end of the year	224.13	192.23
<b>iii) Net assets/(liability) recognised in the Balance Sheet</b>		
Defined benefit obligation at the end of the year	154.51	127.74
Fair value of the plan assets at the end of the year	224.13	192.23
Assets/(Liability) recognised in the Balance Sheet	69.62	64.49
<b>iv) Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	19.69	26.61
Interest on obligation	9.92	8.67
Expected return on plan assets	(14.17)	(12.85)
Net actuarial (gains)/losses recognised in the year	(0.57)	(10.99)
Net cost recognised in the statement of profit and loss	14.87	11.44
<b>v) Assumption</b>		
Rate of Mortality	IALM (2006-08) Ult	
Discount rate	7.46%	7.85%
Expected salary increase rate	5.35%	5.00%
Expected rate of return on plan assets	7.00%	7.00%
Attrition rate	1.00%	1.00%

- b) Defined contribution plans:

A sum of ₹ 97.34 lacs (Previous year ₹ 83.34 lacs) has been charged to the statement of profit and loss in respect of Company's contribution to superannuation fund, provident and pension fund.

34. 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.

35. As per the provisions of Sec 135 of the Companies Act, 2013, the Company is required to spend ₹ Nil (Previous year ₹ 9.88 lacs) towards CSR activities. During the year, Company has spent ₹ 7.97 lacs (Previous year ₹ 19.58 lacs) towards CSR activities in line with the CSR Policy of the Company.

## 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 Private Limited
b	Subsidiary: GCL Global Resources SGP Pte. Ltd., Singapore
c	Fellow Subsidiaries (with whom transactions have taken place during the year): Dempo Industries Pvt. Ltd. Dempo Travels Pvt. Ltd. Dempo Sports Club 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: Motown Trading Pvt. Ltd. Devashri Investments Pvt. Ltd. Devashri Nirman LLP Dempo Charities Trust Vasantrao Dempo Education and Research Foundation Esmeralda International Exports LLP Ratnaprabha Advisory Services LLP Vassudeva Dempo Family Private Trust
f	Key Management Personnel: Mr. Jagmohan J. Chhabra (Executive Director) Mr. P. S. Mantri (Company Secretary) Mr. K. Balaraman (Chief Financial Officer)

## ii) Disclosure of transactions with Related Parties:

₹ in lacs

		Year ended 31 March, 2017	Year ended 31 March, 2016
a	<b>Expenses incurred</b>		
	Dempo Industries Pvt. Ltd.	2.70	6.40
	Dempo Travels Pvt. Ltd.	32.32	29.45
b	<b>Guarantee commission</b>		
	Vassudeva Dempo Family Private Trust	-	60.00
c	<b>Rent paid</b>		
	V. S. Dempo Holdings Private Limited	23.42	23.22
d	<b>Reimbursement of expenses</b>		
	V. S. Dempo Holdings Private Limited	1.00	0.07
e	<b>Recovery of expenses</b>		
	V. S. Dempo Holdings Private Limited	5.10	5.10
f	<b>Sponsorship</b>		
	Dempo Sports Club Pvt. Ltd.	28.96	3.00
g	<b>Remuneration</b>		
	Mr. Jagmohan J. Chhabra (Executive Director)	90.61	114.83
	Mr. P. S. Mantri (Company Secretary)	45.35	45.34
	Mr. K. Balaraman (Chief Financial Officer)	42.09	41.52
iii)	Outstanding (receivable)/payable as at year end:		
	GCL Global Resources SGP Pte. Ltd., Singapore	(190.88)	(190.88)
	V. S. Dempo Holdings Private Limited	181.01	228.97
	Vassudeva Dempo Family Private Trust	-	44.00

37.	Earnings per share:	<b>Year ended 31 March, 2017</b>	Year ended 31 March, 2016
i)	Profit/(Loss) after tax as per the Statement of Profit and Loss (₹ in lacs)	<b>942.49</b>	(307.65)
ii)	Number of equity shares	<b>9,151,052</b>	9,151,052
iii)	Basic and diluted earnings per share of ₹ 10/- each (₹)	<b>10.30</b>	(3.36)

38. There are no amounts due and payable to Investor Education and Protection Fund as on Balance Sheet date.

39. In exercise of powers conferred by sub-section (1) of Section 467 of Companies Act, 2013 (18 of 2013), the Central Government has amended Schedule III to the Companies Act, requiring to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. The details are furnished below:

	₹ in lacs		
	SBN	Other Denomination Notes	Total
Closing cash in hand as on 8 <sup>th</sup> November, 2016	1.48	0.17	1.65
Add: Permitted receipts	-	10.38	10.38
Less: Permitted payments	-	9.56	9.56
Less: Amount deposited in Banks	1.48	-	1.48
Closing cash in hand as on 30 <sup>th</sup> December, 2016	-	0.99	0.99

40. The Board of Directors has recommended a final dividend of ₹ 3/- per equity share of ₹ 10/- each subject to the approval of the shareholders at the ensuing Annual General Meeting.

41. Previous year's figures have been regrouped wherever necessary, to conform with the current year's disclosures.

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**For and on behalf of the Board of Directors**

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

Panaji, Goa: 11<sup>th</sup> April, 2017



# CONSOLIDATED FINANCIAL STATEMENTS INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF GOA CARBON LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **GOA CARBON LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with 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 judgment, 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 internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a)

of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the considerations of the report of the other auditors on separate financial statements/information of the subsidiary referred to in the Other Matter paragraph below, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matter

- a) We did not audit the financial statements/information of the subsidiary, GCL Global Resources SGP Pte. Limited, whose financial statements/information reflect total assets of ₹ 1,296.68 lacs as at 31<sup>st</sup> March, 2017, total revenues of ₹ Nil and net cash inflows amounting to ₹ 55.99 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/information has been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other

auditors on separate financial statements referred in the Other Matter paragraph above, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' report of the Holding company, and does not include the subsidiary, since it is incorporated outside India and is not considered as Company as defined in the Companies Act, 2013. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules,

2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 26 to the consolidated financial statements.
- i. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.
- iii. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016; and such disclosures are in accordance with the relevant books of accounts maintained by the Holding Company.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm Registration No. 008072S)

**C. R. Rajagopal**

Partner  
(Membership No. 23418)

Place : Panaji, Goa

Date : 11<sup>th</sup> April, 2017

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of **GOA CARBON LIMITED** (hereinafter referred to as “the Holding Company”) as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial

Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm Registration No. 008072S)

**C. R. Rajagopal**

Partner  
(Membership No. 23418)

Place: Panaji, Goa

Date : 11<sup>th</sup> April, 2017

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

		As on 31 <sup>st</sup> March, 2017	₹ in lacs As on 31 <sup>st</sup> March, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share capital	3	915.11	915.11
Reserves and surplus	4	7,127.41	6,381.95
		<u>8,042.52</u>	<u>7,297.06</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities (net)	5	480.93	174.68
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	6	15,869.64	20,541.29
Trade payables	7		
– Total outstanding dues of micro enterprises and small enterprises		0.35	-
– Total outstanding dues of creditors other than micro enterprises and small enterprises		910.36	1,096.27
Other current liabilities	8	1,083.60	895.13
Short-term provisions	9	35.73	27.46
		<u>17,899.68</u>	<u>22,560.15</u>
<b>Total</b>		<u>26,423.13</u>	<u>30,031.89</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible assets	10	2,551.46	2,724.37
Non-current investments	11	4.05	4.05
Long-term loans and advances	12	575.47	522.16
Other non-current assets	13	1,481.16	1,433.07
		<u>4,612.14</u>	<u>4,683.65</u>
<b>CURRENT ASSETS</b>			
Inventories	14	8,318.74	8,743.67
Trade receivables	15	2,183.17	1,912.08
Cash and cash equivalents	16	10,063.42	13,155.33
Short-term loans and advances	17	1,121.10	1,337.00
Other current assets	18	124.56	200.16
		<u>21,810.99</u>	<u>25,348.24</u>
<b>Total</b>		<u>26,423.13</u>	<u>30,031.89</u>

See accompanying notes forming part of the financial statements 1 - 40

## In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017

## For and on behalf of the Board of Directors

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

			₹ in lacs
	Note	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>REVENUE FROM OPERATIONS</b>			
Revenue from sale of products			
Sale of calcined petroleum coke		33,163.34	35,959.13
Less: Excise duty		4,070.76	4,413.61
Net sales		29,092.58	31,545.52
Other operating revenue	19	15.90	57.11
Other income	20	878.94	685.80
		29,987.42	32,288.43
<b>EXPENSES</b>			
Cost of materials consumed	21	22,567.63	24,795.55
Changes in inventories of finished goods	22	(601.26)	824.62
Employee benefits expense	23	1,776.67	1,630.59
Finance costs	24	669.51	1,521.44
Depreciation and amortisation expense	10	189.03	186.57
Other expenses	25	3,853.22	3,810.48
		28,454.80	32,769.25
<b>Profit/(Loss) before tax</b>		1,532.62	(480.82)
<b>Tax expense/(benefit):</b>			
Current tax expense		334.00	
MAT Credit		(96.44)	-
Prior year taxes		78.14	2.03
Deferred tax		306.25	(143.65)
<b>Net tax expense/(benefit)</b>		621.95	(141.62)
<b>Profit/(Loss) for the year</b>		910.67	(339.20)
<b>Earnings per equity share of ₹ 10/- each (Basic and diluted) (₹)</b>	34	9.95	(3.71)

See accompanying notes forming part of the financial statements 1 - 40

## In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017

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# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31 <sup>st</sup> March, 2017	₹ in lacs Year ended 31 <sup>st</sup> March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	1,532.62	(480.82)
<u>Adjustments for</u>		
Depreciation and amortisation expense	189.03	186.57
Finance costs	669.51	1,521.44
Loss on assets sold/scrapped	24.74	0.97
Bad debts written off	8.49	53.08
Interest income	(553.35)	(539.52)
Provision for doubtful debts written back	(10.79)	(15.15)
Sundry credit balances written back	(0.15)	(4.24)
Profit on sale of assets	(0.14)	(0.60)
Unrealised exchange loss/(gain)- (net)	(376.45)	0.77
Dividend income	(3.38)	(3.38)
	<u>(52.49)</u>	<u>1,199.94</u>
Operating Profit before working capital changes	1,480.13	719.12
<u>Changes in working capital</u>		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Inventories	424.93	811.20
Trade receivables	(268.79)	1,055.65
Short-term loans and advances	215.90	367.72
Other current assets	(47.36)	1.55
Long-term loans and advances	0.18	(35.23)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade payables	(185.39)	309.08
Other current liabilities	186.30	(68.78)
Short-term provisions	8.27	(83.14)
	<u>334.04</u>	<u>2,358.05</u>
Cash flow from operations	1,814.17	3,077.17
Direct taxes (net)	(300.31)	748.03
<b>Net cash from operating activities</b>	<u>1,513.86</u>	<u>3,825.20</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets including capital advances	(41.97)	(269.40)
Proceeds from sale of fixed assets	1.25	1.33
Margin money and bank deposits realised/(placed)	1,943.29	(8,124.80)
Interest received	676.31	403.37
Tax on interest income	(116.97)	-
Dividend received	3.38	3.38
<b>Net cash from/(used in) investing activities</b>	<u>2,465.29</u>	<u>(7,986.12)</u>

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	Year ended 31 <sup>st</sup> March, 2017	₹ in lacs Year ended 31 <sup>st</sup> March, 2016
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of short-term borrowings from Banks (Net)	(4,295.16)	4,593.71
Finance costs	(666.73)	(1,119.46)
Dividends paid	(137.27)	(91.51)
Tax on dividend paid	(27.94)	(18.63)
<b>Net cash (used in)/from financing activities</b>	<b>(5,127.10)</b>	<b>3,364.11</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS ( A + B + C )</b>	<b>(1,147.95)</b>	<b>(796.81)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>2,592.43</b>	<b>3,389.25</b>
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(0.06)	(0.01)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,444.42</b>	<b>2,592.43</b>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	10,063.42	13,155.33
Less: Bank balances not considered as Cash and cash equivalents		
Unpaid dividend account	(33.30)	(33.91)
Deposits more than 3 months	(5,139.94)	(6,545.74)
Margin money deposits	(3,445.76)	(3,983.25)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR *</b>	<b>1,444.42</b>	<b>2,592.43</b>
* Comprises		
Cash on hand	2.79	2.90
Balances with banks		
In current accounts	77.75	59.53
In deposit account with original maturity less than 3 months	1,363.88	2,530.00

See accompanying notes forming part of the financial statements 1-40

## In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**C. R. Rajagopal**  
Partner

Panaji, Goa: 11<sup>th</sup> April, 2017

## For and on behalf of the Board of Directors

**Shrinivas V. Dempo**  
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**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

## 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 'Company') and its subsidiary (the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. 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 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 subsidiary 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 subsidiary are prepared for the same reporting year as the Parent, using consistent accounting policies to the extent practicable, except as indicated below. Adjustments are made to align any dissimilar accounting policies that may exist where practicable.

During the year, the management has expressed its intention to voluntarily wind up GCL Global Resources SGP Pte. Limited, Singapore ("the Subsidiary") within next 12 months subsequent to the financial year end. As a result, the Subsidiary changed its basis of accounting from the going concern basis to the realisation basis for the financial year ended 31<sup>st</sup> March, 2017. Accordingly, the carrying value of the assets as at 31<sup>st</sup> March, 2017 are measured at the lower of carrying amount and fair value less cost to sell and all liabilities are measured at the estimated settlement amounts. Also, Refer Note 39 of the financial statements.

- iii) Particulars of subsidiary are given below:

Name of the Subsidiary	Country of Incorporation	% of holding As at	
		31.03.2017	31.03.2016
GCL Global Resources SGP Pte. Ltd.	Singapore	100%	100%

### 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 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 useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the useful life of the assets has been assessed by the Management as under.

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 settlement/restatement 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. Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Group's integral foreign operations are recognised as income or expenses in the Statement of Profit and Loss.

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; and
- (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 as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund:

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 scheme 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 Group 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. Actuarial gains and losses are charged to the Statement of Profit and Loss under the head "Contribution to provident and other funds".

##### **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 are 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**

Tax expense comprises current and deferred taxes

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement of Minimum Alternate Tax.

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset if there is convincing evidence that the Group will pay normal income tax during the specified period. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by

convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**o Impairment of assets**

The carrying values of assets/cash generating units are reviewed at each balance sheet date for 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 book value of the assets. In assessing the impairment, the recoverable amount of each cash generating unit is ascertained from the valuation carried out by the independent Government approved valuer and compared with the book value of the assets at the year end.

**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.



**3. SHARE CAPITAL**

Authorised:

Equity shares of ₹ 10/- each with voting rights

Preference shares of ₹ 100/- each

Issued, subscribed and fully paid up:

Equity shares of ₹ 10/- each with voting rights

i There has been no movement in equity share capital during the year.

ii The Company has only one class of equity shares having face value of ₹ 10/-. Each holder is entitled to one vote per equity share. During the year, the Company has paid Interim Dividend of ₹ 1.50 per equity share (₹ 137.27 lacs) on 17<sup>th</sup> January, 2017. 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 ₹ 274.53 lacs (Previous year ₹ Nil lacs) and the related amount per equity share is ₹ 3/- (Previous year ₹ Nil).

Repayment of capital will be in proportion to the number of equity shares held.

iii Details of equity shares held by each shareholder holding more than 5% shares

V. S. Dempo Holdings Private Limited, the holding company

As at 31 March, 2017		As at 31 March, 2016	
Number of Shares	₹ in lacs	Number of Shares	₹ in lacs
22,000,000	2,200.00	22,000,000	2,200.00
300,000	300.00	300,000	300.00
	<b>2,500.00</b>		<b>2,500.00</b>
9,151,052	915.11	9,151,052	915.11
	<b>915.11</b>		<b>915.11</b>
	<b>% held</b>		<b>% held</b>
5,069,040	55.40	5,069,040	55.40
			₹ in lacs

**4. RESERVES AND SURPLUS**

Securities premium account

Amalgamation reserve

General reserve

Surplus in Statement of Profit and Loss

Opening balance

Add/Less: Profit/(Loss) for the year

Less: Interim dividend

Tax on proposed dividend

Closing balance

As at 31 March, 2017		As at 31 March, 2016	
3,131.01	3,131.01		
475.38	475.38		
1,803.05	1,803.05		
972.51	1,311.71		
910.67	(339.20)		
<b>1,883.18</b>	<b>972.51</b>		
137.27	-		
27.94	-		
<b>1,717.97</b>	<b>972.51</b>		
<b>7,127.41</b>	<b>6,381.95</b>		

₹ in lacs

	As at 31 March, 2017	As at 31 March, 2016
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax liability arising on account of:		
Depreciation	600.13	606.89
Deferred tax asset arising on account of:		
Provision for doubtful debts/advances	6.80	10.54
Provision for employee benefits	17.51	17.35
Unabsorbed depreciation	-	265.64
Unabsorbed business loss	-	58.60
Others	94.89	80.08
	<b>119.20</b>	<b>432.21</b>
	<b>480.93</b>	<b>174.68</b>
<b>6. SHORT-TERM BORROWINGS</b>		
<b>Secured:</b>		
From banks		
Loans repayable on demand		
Cash credit	316.74	57.29
Other loans		
Buyers credit	15,552.90	20,484.00
	<b>15,869.64</b>	<b>20,541.29</b>
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.		
<b>7. TRADE PAYABLES</b>		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 28)	0.35	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
– Related parties (Refer Note 33(iii))	-	91.96
– Others	910.36	1,004.31
	<b>910.71</b>	<b>1,096.27</b>
<b>8. OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowings	51.83	49.05
Interest accrued and due on unsecured loan from a related party (Refer Note 33 (iii))	181.01	181.01
Unclaimed dividends (Refer Note 35)	33.30	33.91
Other payables:		
Statutory remittances	749.55	593.74
Advances from customers	42.54	12.70
Employee recoveries	3.11	3.64
Trade and security deposits received	22.26	21.08
	<b>817.46</b>	<b>631.16</b>
	<b>1,083.60</b>	<b>895.13</b>
<b>9. SHORT-TERM PROVISIONS</b>		
Employee benefits	35.73	27.46
	<b>35.73</b>	<b>27.46</b>

## 10. FIXED ASSETS

₹ in lacs

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	As at 01.04.2016	For the year	Deductions	As at 31.03.2017
<b>Tangible Assets</b>								
Land (Freehold)	13.58	-	-	13.58	-	-	-	13.58
	13.58	-	-	13.58	-	-	-	13.58
Land (Leasehold)	100.83	-	-	100.83	22.82	1.19	-	76.82
	100.83	-	-	100.83	21.62	1.20	-	78.01
Plot development on leasehold land	101.95	-	-	101.95	101.95	-	-	-
	101.95	-	-	101.95	101.95	-	-	-
Buildings	1,405.73	-	1.00	1,404.73	772.89	30.56	0.92	602.20
	1,405.73	-	-	1,405.73	740.63	32.26	-	632.84
Plant and equipment	4,459.57	22.39	84.42	4,397.54	2,553.11	130.34	59.91	1,774.00
	4,156.93	302.64	-	4,459.57	2,426.78	126.33	-	1,906.46
Furniture and fixtures	85.72	0.79	4.20	82.31	81.23	1.34	4.00	3.74
	85.67	0.05	-	85.72	79.67	1.56	-	4.49
Office equipments	123.72	8.72	28.54	103.90	113.72	8.01	27.50	9.67
	119.02	6.02	1.32	123.72	105.12	9.39	0.79	10.00
Vehicles	146.43	10.07	0.37	156.13	67.44	17.59	0.35	71.45
	132.26	17.93	3.76	146.43	54.20	15.83	2.59	78.99
	6,437.53	41.97	118.53	6,360.97	3,713.16	189.03	92.68	2,551.46
	6,115.97	326.64	5.08	6,437.53	3,529.97	186.57	3.38	2,724.37
<b>Intangible Assets</b>								
Technical knowhow	30.21	-	-	30.21	30.21	-	-	-
	30.21	-	-	30.21	30.21	-	-	-
Computer software	66.27	-	-	66.27	66.27	-	-	-
	66.27	-	-	66.27	66.27	-	-	-
	96.48	-	-	96.48	96.48	-	-	-
	96.48	-	-	96.48	96.48	-	-	-
<b>TOTAL</b>	6,534.01	41.97	118.53	6,457.45	3,809.64	189.03	92.68	2,551.46
<b>TOTAL</b>	6,212.45	326.64	5.08	6,534.01	3,626.45	186.57	3.38	2,724.37

Figures in italics represent previous year figures.

	As at 31 March, 2017	As at 31 March, 2016
₹ in lacs		
<b>11. NON-CURRENT INVESTMENTS</b>		
<b>Long-term investments (at cost)</b>		
Investments in equity instruments		
Quoted (Non-Trade):		
67,500 (Previous year 67,500) fully paid up equity shares of ₹ 2/- each in ICICI Bank Limited	4.05	4.05
	<u>4.05</u>	<u>4.05</u>
Market value of quoted investment	186.87	159.74
<b>12. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Capital advances	328.81	328.81
Security deposits	75.93	71.86
Prepaid expenses	2.21	6.46
MAT credit entitlement	96.44	-
Advance tax (net of provision ₹ 334.00 lacs (Previous year ₹ 117.00 lacs))	72.08	115.03
	<u>575.47</u>	<u>522.16</u>
<b>13. OTHER NON-CURRENT ASSETS</b>		
Taxes paid in dispute (Refer Note 26(ii) and (iii))	1,481.16	1,433.07
	<u>1,481.16</u>	<u>1,433.07</u>
<b>14. INVENTORIES</b>		
(At lower of cost and net realisable value)		
Raw materials	4,508.65	5,586.22
Finished goods	3,605.97	3,004.71
Stores and spares	204.12	152.74
	<u>8,318.74</u>	<u>8,743.67</u>
<b>15. TRADE RECEIVABLES</b>		
(Unsecured)		
Outstanding for a period exceeding six months from the date they were due for payment		
Considered good	37.57	177.59
Doubtful	19.64	30.47
	<u>57.21</u>	<u>208.06</u>
Less: Provision for doubtful trade receivables	19.64	30.47
	<u>37.57</u>	<u>177.59</u>
Other trade receivables		
Considered good	2,145.60	1,734.49
	<u>2,183.17</u>	<u>1,912.08</u>

	As at 31 March, 2017	As at 31 March, 2016
₹ in lacs		
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	2.79	2.90
Balances with banks		
In current accounts	77.75	59.53
In deposit accounts	6,503.82	9,075.74
Unpaid dividend accounts	33.30	33.91
Margin money deposits and security against borrowings	3,445.76	3,983.25
	<u>10,060.63</u>	<u>13,152.43</u>
	<u>10,063.42</u>	<u>13,155.33</u>
Of the above the balances that meet the definition of cash and cash equivalents as per AS-3 on cash flow statements.	1,444.42	2,592.43
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured considered good unless otherwise stated)		
Security and tender deposits	6.61	8.85
Loans and advances to employees	5.91	10.14
Other receivables	97.77	185.56
Prepaid expenses	220.14	224.83
Balances with government authorities		
CENVAT credit receivable	457.89	533.93
VAT credit receivable	72.97	72.11
Service tax credit receivable	43.27	113.29
	<u>574.13</u>	<u>719.33</u>
Advances to suppliers	216.54	188.29
	<u>1,121.10</u>	<u>1,337.00</u>
<b>18. OTHER CURRENT ASSETS</b>		
Interest accrued on margin money and other bank deposits	77.20	200.16
Unamortised premium on forward contracts	47.36	-
	<u>124.56</u>	<u>200.16</u>
<b>19. OTHER OPERATING REVENUE</b>		
Sale of scrap	15.90	57.11
	<u>15.90</u>	<u>57.11</u>
<b>20. OTHER INCOME</b>		
Interest income:		
from banks deposits	547.97	418.19
on income tax refunds	-	119.22
others	5.38	2.11
	<u>553.35</u>	<u>539.52</u>
Dividend from long-term investments	3.38	3.38
Profit on sale of fixed assets	0.14	0.60
Miscellaneous income	3.15	122.91
Provision for doubtful debts/advances written back	10.79	15.15
Sundry credit balances written back	0.15	4.24
Net exchange gain on foreign currency transactions and translations	307.98	-
	<u>878.94</u>	<u>685.80</u>

₹ in lacs

	As at 31 March, 2017	As at 31 March, 2016
<b>21. COST OF MATERIALS CONSUMED</b>	<b>22,567.63</b>	<b>24,795.55</b>
<b>22. CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
Inventories of finished goods at the end of the year	3,605.97	3,004.71
Inventories of finished goods at the beginning of the year	3,004.71	3,829.33
	<b>(601.26)</b>	<b>824.62</b>
<b>23. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages, bonus and allowances	1,409.71	1,338.83
Contribution to provident and other funds	155.89	117.12
Staff welfare expenses	211.07	174.64
	<b>1,776.67</b>	<b>1,630.59</b>
<b>24. FINANCE COSTS</b>		
Interest expense on:		
borrowings	235.33	171.10
others	11.71	1.57
	<b>247.04</b>	<b>172.67</b>
Other borrowing costs	422.47	452.77
Net exchange loss on foreign currency transactions and translations	-	896.00
	<b>669.51</b>	<b>1,521.44</b>
<b>25. OTHER EXPENSES</b>		
Fuel and power	364.58	355.31
Excise duty on inventory differential (Refer Note 27)	83.28	(156.77)
Repairs and maintenance		
Buildings	201.91	135.53
Plant and machinery	236.61	264.60
Others	40.48	36.49
	<b>479.00</b>	<b>436.62</b>
Rent	55.64	63.84
Rates and taxes	55.38	124.80
Insurance	36.75	42.45
Processing/labour charges	103.09	89.85
Travelling expenses	99.98	86.67
Selling and distribution expenses	1,991.43	2,198.68
Bad debts/advances written off	8.49	53.08
Payments to auditors (net of service tax credit)		
Audit fees	17.95	13.50
Other services	9.50	9.50
Reimbursement of expenses	0.86	0.60
	<b>28.31</b>	<b>23.60</b>
Directors' sitting fees	12.48	10.65
Assets written off	24.74	0.97
Forward premium expenses	137.43	5.50
Miscellaneous expenses	372.64	475.23
	<b>3,853.22</b>	<b>3,810.48</b>



₹ in lacs

26.	Contingent Liabilities: (Claims against the Company not acknowledged as debts)	As at 31 March, 2017	As at 31 March, 2016
	i) Disallowance of Cenvat Credit and Educational Cess on purchase of raw materials	-	90.19
	ii) Income tax demands under appeal	350.19	610.87
	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 ₹ 901.01 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 Hon: Supreme Court praying for ex-parte stay of the aforementioned Order of the High Court. The petition is admitted and pending for hearing.	-	-
The amounts mentioned against (i) and (ii) above are based on the notice of demand or the assessment orders issued by the relevant authorities, as the case may be. The Group is contesting these demands with the relevant appellate authorities. Outflows, if any, arising out of these demands would depend on the outcome of the decisions of the appellate authorities and the Groups' rights for future appeals before the Judiciary. However, the Group is hopeful of successful outcome in the appellate proceedings.			

27. 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".

28. The information as required under Micro, Small and Medium Enterprises Development Act, 2006 as received by the Company and relied upon by Auditors is as follows:-

- a) Amounts unpaid as at the year end
- i) Principal ₹ Nil (Previous year ₹ Nil)
  - ii) Interest ₹ 0.35 lacs (Previous year ₹ Nil)
- b) Amounts paid after the due date during the year
- i) Principal ₹ 52.61 lacs (Previous year ₹ Nil)
  - ii) Interest ₹ Nil (Previous year ₹ Nil)

Amount of interest accrued and unpaid as at the year-end ₹ 0.35 lacs (Previous year ₹ Nil)

**Note:** The information has been given in respect of such suppliers to the extent they could be identified as Micro and Small enterprises on basis of information available with the Company.

29. 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, 2017				As at 31 March, 2016			
Buy-Sell	No. of Contracts	US Dollars	₹ in lacs	Buy-Sell	No. of Contracts	US Dollars	₹ in lacs
Buy	19	10,182,367	6,711.89	-	-	-	-

- 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, 2017		As at 31 March, 2016	
	US Dollars	₹ in lacs	US Dollars	₹ in lacs
Amount payable in foreign currency				
Buyers credit	13,686,604	8,876.45	30,914,579	20,484.00
Trade payables	1,320	0.86	20,202	13.39
Interest accrued but not due on borrowings	46,864	30.39	74,026	49.05

30. Employee benefit plans

a) Defined benefit plans:

- i) The following table sets out the status of the gratuity plan (included as part of "Contribution to provident and other funds" in Note 23 Employee benefit expenses) as required under AS-15 (Revised):

		₹ in lacs	
	Particulars	As at	As at
		31 March, 2017	31 March, 2016
i)	<b>Change in present value of obligation</b>		
	Defined benefit obligation at the beginning of the year	340.64	336.51
	Current service cost	18.69	18.20
	Interest cost	26.01	24.51
	Actuarial losses/(gains)	67.88	7.65
	Benefits paid	(18.50)	(46.23)
	Defined benefit obligation at the end of the year	434.72	340.64
ii)	<b>Change in fair value of plan assets</b>		
	Fair value of plan assets at the beginning of the year	425.56	408.62
	Expected return on plan assets	40.99	31.66
	Actuarial gain/(loss)	13.04	(15.08)
	Contributions	30.00	46.59
	Benefit paid	(18.50)	(46.23)
	Fair value of plan assets at the end of the year	491.09	425.56
iii)	<b>Net assets/(liability) recognised in the Balance Sheet</b>		
	Defined benefit obligation at the end of the year	434.72	340.64
	Fair value of the plan assets at the end of the year	491.09	425.56
	Excess of funding over obligation	56.37	84.92
iv)	<b>Expenses recognised in the statement of profit and loss</b>		
	Current service cost	18.69	18.20
	Interest cost	26.01	24.51
	Expected return on plan assets	(40.99)	(31.66)
	Net actuarial losses/(gains) recognised in the year	54.84	22.73
	Net cost recognised in the statement of profit and loss	58.55	33.78
v)	<b>Return on plan assets</b>		
	Expected return on plan assets	40.99	31.66
	Actuarial gain/(loss)	13.04	(15.08)
	Actual return on plan assets	54.03	16.58
	The plan assets of the Group 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)	<b>Assumption</b>		
	Rate of Mortality	IALM (2006-08) Ult.	
	Discount rate	7.46%	7.85%
	Expected salary increase rate	5.35%	5.00%
	Expected rate of return on plan assets	7.00%	7.00%
	Attrition rate	1.00%	1.00%
	The estimates of future salary increases considered in the actuarial valuation, take into account inflation, seniority, promotions, increments and other related factors such as supply and demand in the employment market.		

The contribution expected to be made by the Group during the financial year 2017-18 – ₹ Nil.

₹ in lacs

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Experience adjustment</b>					
Present value of obligation	434.72	340.64	336.51	365.85	354.71
Fair value of plan assets	491.09	425.56	408.62	371.66	361.70
Surplus/(deficit)	56.37	84.92	72.11	5.81	6.99
Experience adjustment on plan liabilities	(67.88)	(7.65)	38.32	14.53	11.86
Experience adjustment of plan assets	13.04	(15.08)	22.44	(2.80)	5.20

- ii) The following table set out the status of the leave encashment plan (included as part of “Salaries, wages, bonus and allowances” in Note 23 Employee benefits expense) as required under AS-15 (Revised).

₹ in lacs

	Particulars	As at 31 March, 2017	As at 31 March, 2016
i)	<b>Change in present value of obligation</b>		
	Defined benefit obligation at the beginning of the year	127.74	119.25
	Current service cost	19.69	26.61
	Interest cost	9.92	8.67
	Actuarial (gains)/losses	(0.09)	(10.15)
	Benefits paid	(2.75)	(16.64)
	Defined benefit obligation at the end of the year	154.51	127.74
ii)	<b>Change in fair value of plan assets</b>		
	Fair value of plan assets at the beginning of the year	192.23	155.35
	Expected return on plan assets	14.17	12.85
	Actuarial gain/(loss)	0.48	0.84
	Contributions	20.00	39.83
	Benefit paid	(2.75)	(16.64)
	Fair value of plan assets at the end of the year	224.13	192.23
iii)	<b>Net assets/(liability) recognised in the Balance Sheet</b>		
	Defined benefit obligation at the end of the year	154.51	127.74
	Fair value of the plan assets at the end of the year	224.13	192.23
	Assets/(Liability) recognised in the Balance Sheet	69.62	64.49
iv)	<b>Expenses recognised in the Statement of Profit and Loss</b>		
	Current service cost	19.69	26.61
	Interest on obligation	9.92	8.67
	Expected return on plan assets	(14.17)	(12.85)
	Net actuarial (gains)/losses recognised in the year	(0.57)	(10.99)
	Net cost recognised in the statement of profit and loss	14.87	11.44
v)	<b>Assumption</b>		
	Rate of Mortality	IALM (2006-08) Ult.	
	Discount rate	7.46%	7.85%
	Expected salary increase rate	5.35%	5.00%
	Expected rate of return on plan assets	7.00%	7.00%
	Attrition rate	1.00%	1.00%

- b) Defined contribution plans:  
A sum of ₹ 97.34 lacs (Previous year ₹ 83.34 lacs) has been charged to the statement of profit and loss in respect of Group's contribution to superannuation fund, provident and pension fund.
31. 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.
32. As per the provisions of Sec 135 of the Companies Act, 2013, the Group is required to spend ₹ Nil (Previous year ₹ 9.88 lacs) towards CSR activities. During the year, Group has spent ₹ 7.97 lacs (Previous year ₹ 19.58 lacs) towards CSR activities in line with the CSR Policy of the Group.

## 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 Private Limited
b	Fellow Subsidiaries (with whom transactions have taken place during the year): Dempo Industries Pvt. Ltd. Dempo Travels Pvt. Ltd. Dempo Sports Club 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: Motown Trading Pvt. Ltd. Devashri Investments Pvt. Ltd. Devashri Nirman LLP Dempo Charities Trust Vasantrao Dempo Education and Research Foundation Esmeralda International Exports LLP Ratnaprabha Advisory Services LLP Vassudeva Dempo Family Private Trust
e	Key Management Personnel: Mr. Jagmohan J. Chhabra (Executive Director) Mr. P. S. Mantri (Company Secretary) Mr. K. Balaraman (Chief Financial Officer)

## ii) Disclosure of transactions with Related Parties:

₹ in lacs

		Year ended 31 March, 2017	Year ended 31 March, 2016
a	<b>Expenses incurred</b>		
	Dempo Industries Pvt. Ltd.	2.70	6.40
	Dempo Travels Pvt. Ltd.	32.32	29.45
b	<b>Guarantee commission</b>		
	Vassudeva Dempo Family Private Trust	-	60.00
c	<b>Rent paid</b>		
	V. S. Dempo Holdings Private Limited	23.42	23.22
d	<b>Reimbursement of expenses</b>		
	V. S. Dempo Holdings Private Limited	1.00	0.07
e	<b>Recovery of expenses</b>		
	V. S. Dempo Holdings Private Limited	5.10	5.10
f	<b>Sponsorship</b>		
	Dempo Sports Club Pvt. Ltd.	28.96	3.00
g	<b>Remuneration</b>		
	Mr. Jagmohan J. Chhabra (Executive Director)	90.61	114.83
	Mr. P. S. Mantri (Company Secretary)	45.35	45.34
	Mr. K. Balaraman (Chief Financial Officer)	42.09	41.52
iii)	<b>Outstanding (receivable)/payable as at year end</b>		
	V. S. Dempo Holdings Private Limited	181.01	228.97
	Vassudeva Dempo Family Private Trust	-	44.00

₹ in lacs

## 34. Earnings per share:

	Year ended 31 March, 2017	Year ended 31 March, 2016
i) Profit/(Loss) after tax as per the Statement of Profit and Loss (₹ in lacs)	910.67	(339.20)
ii) Number of equity shares	9,151,052	9,151,052
iii) Basic and diluted earnings per share of ₹ 10/- each (₹)	9.95	(3.71)

35. There are no amounts due and payable to Investor Education and Protection Fund as on Balance Sheet date.
36. In exercise of powers conferred by sub-section (1) of Section 467 of Companies Act, 2013 (18 of 2013), the Central Government has amended Schedule III to the Companies Act, requiring to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. The details are furnished below:

₹ in lacs

	SBN	Other Denomination Notes	Total
Closing cash in hand as on 8 <sup>th</sup> November, 2016	1.48	0.17	1.65
Add: Permitted receipts	-	10.38	10.38
Less: Permitted payments	-	9.56	9.56
Less: Amount deposited in Banks	1.48	-	1.48
Closing cash in hand as on 30 <sup>th</sup> December, 2016	-	0.99	0.99

37. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary.

Name of the Entity	Net Assets i.e. total assets minus total liabilities			Share in profit or (loss)	
	As % of consolidated net assets	₹ in lacs		As % of consolidated profit or loss	₹ in lacs
Parent Goa Carbon Limited	Current year <i>Previous year</i>	83.92% 81.84%	6,749.56 5,972.28	103.49% 90.70%	942.49 (307.65)
Foreign GCL Global Resources SGP Pte Limited, Singapore	Current year <i>Previous year</i>	16.08% 18.16%	1,292.96 1,324.78	-3.49% 9.30%	(31.82) (31.55)
	100%	8,042.51		100%	910.67
	100%	7,297.06		100%	(339.20)

38. The Board of Directors has recommended a final dividend of ₹ 3/- per equity share of ₹ 10/- each subject to the approval of the shareholders at the ensuing Annual General Meeting.
39. The Board of Directors of the Holding Company has decided to initiate the liquidation process of its wholly owned subsidiary GCL Global Resources SGP Pte. Limited, Singapore ("the Subsidiary"). As a result, the Subsidiary's accounts are prepared on liquidation basis for the financial year ended 31<sup>st</sup> March, 2017. The Subsidiary's assets represented largely by cash and bank balances aggregating ₹ 1,291.22 lacs will be repatriated into the Holding Company on completion of the liquidation process.
40. 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**  
Chairman  
DIN: 00043413

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

Panaji, Goa: 11<sup>th</sup> April, 2017

## FORM AOC-1

**(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)**  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

Part "A" : Subsidiary

₹ in lacs

Sr. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	(Loss) before Taxation	Provision for Taxation	(Loss) after Taxation	Proposed Dividend	% of Shareholding
1	GCL Global Resources SGP Pte. Limited, Singapore		SGD 1 = INR 46.4158	1,938.62	(825.87)	1,296.68	3.71	-	-	(31.82)	-	(31.82)	-	100%

Part "B" : Associates and Joint Ventures – NIL

**For and on behalf of the Board of Directors**

**Shrinivas V. Dempo**  
Chairman  
DIN: 00043413

**Jagmohan J. Chhabra**  
Executive Director  
DIN: 01007714

**K. Balaraman**  
Chief Financial Officer  
M.No.: ACA - 029283

**P. S. Mantri**  
Company Secretary  
M.No.: FCS - 1957

Panaji, Goa: 11<sup>th</sup> April, 2017



# FINANCIAL HIGHLIGHTS FOR LAST FIVE YEARS

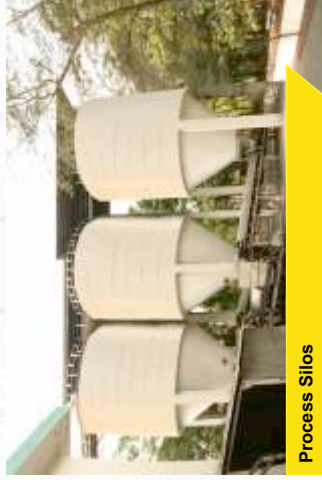
Amount ₹ in lacs

	2016-17	2015-16	2014-15	2013-14	2012-13
Sales (net)	29,092.58	31,545.52	18,748.76	29,183.13	29,547.01
Other Income	918.52	617.33	845.75	584.55	658.33
(A)	30,011.10	32,162.85	19,594.51	29,767.68	30,205.34
Raw materials & manufacturing expenses	27,588.12	30,904.11	18,583.93	28,685.89	28,263.66
Finance charges	669.51	1,521.44	842.96	618.77	501.29
(B)	28,257.63	32,425.55	19,426.89	29,304.66	28,764.95
Gross (Loss)/Profit (A - B)	(C) 1,753.47	(262.70)	167.62	463.02	1,440.39
Depreciation	189.03	186.57	166.55	220.43	224.04
Exceptional item	-	-	1,002.81	-	-
Provision for Tax	621.95	(141.62)	7.27	13.35	425.08
(D)	810.98	44.95	1,176.63	233.78	649.12
Net (Loss)/Profit (C - D)	942.49	(307.65)	(1,009.01)	229.24	791.27
Dividend declared	45%	-	10%	10%	25%
<b>WHAT THE COMPANY OWNED</b>					
Net Fixed Assets	2,551.46	2,724.37	2,586.00	1,950.27	2,148.06
Non-Current Investments	939.86	939.86	939.86	1,942.67	1,401.04
Non-Current Assets	2,056.63	1,955.23	2,727.30	2,581.36	2,495.11
Current Assets, Loans & Advances	20,705.20	24,208.44	18,989.91	27,039.23	17,760.73
	26,253.15	29,827.90	25,243.07	33,513.53	23,804.94
<b>WHAT THE COMPANY OWED</b>					
Secured Loans	15,869.64	20,541.29	15,569.78	21,572.45	12,263.57
Unsecured Loans	-	-	-	1,100.00	1,050.00
Deferred Tax Liability	480.93	174.68	318.33	330.05	365.49
Current Liabilities & Provisions	2,026.33	2,012.96	1,948.34	1,952.34	1,689.37
	18,376.90	22,728.93	17,836.45	24,954.84	15,368.43
<b>NET WORTH OF THE COMPANY</b>					
Equity Share Capital	915.11	915.11	915.11	915.11	915.11
Reserves & Surplus	6,961.14	6,183.86	6,491.51	7,643.58	7,521.40
	7,876.25	7,098.97	7,406.62	8,558.69	8,436.51

## Work Flow



Water Sprinklers in operation in RPC Storage Yard



Process Silos



Feed to Kiln from Silos (RC-4 Weightometer)



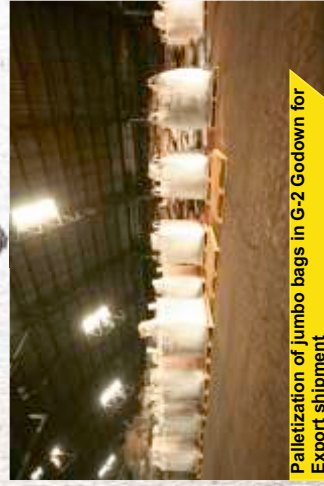
Cooler Discharge End



Cooler and Kiln Stack



Firing Crown of Kiln



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

## Manufacturing Capacity

Goa Plant : 75,000 MT per annum

Bilaspur Plant: 40,000 MT per annum

Paradeep Plant: 1,25,000 MT per annum

**Registered Office:**

Dempo House, Campal, Panaji, Goa – 403 001  
Tel. No.: (91) (832) 2441300  
Fax: (91) (832) 2427192  
E-mail: goacarbon@gmail.com

**Goa Plant:**

St. Jose de Areal, Salcete, Goa – 403 709  
Tel. No.: (91) (832) 2860336, 2860363, 2860367  
Fax: (91) (832) 2860364  
E-mail: head\_works@goacarbon.com

**Bilaspur Plant:**

34-40, Sector B, Sirigiti Industrial Area, Bilaspur – 495 004 (Chattisgarh)  
Tel. No.: (91) (07752) 650720, 650730  
E-mail: bsp@goacarbon.com

**Paradeep Plant:**

Vill. Udayabata, P.O. Paradeepgarh, Dist. Jagatsinghpur, Odisha – 754 142  
Tel. No.: 07894462761, 09238110372  
Fax: (91) (06722) 211450  
E-mail: pclvpster@gmail.com



**GOA CARBON LIMITED**

(CIN: L23109GA1967PLC000076)

**Registered Office:** Dempo House, Campal, Panaji, Goa – 403 001Email: [investorrelations@goacarbon.com](mailto:investorrelations@goacarbon.com), Website: [www.goacarbon.com](http://www.goacarbon.com), Phone: 0832-2441300, Fax: 0832-2427192**FORTY-NINTH ANNUAL GENERAL MEETING****Friday, 30<sup>th</sup> June, 2017 at 10.30 a.m.****ATTENDANCE SLIP**

Folio No./DP ID/Client ID

Name and address of the  
MemberI/We hereby record my/our presence at the 49<sup>th</sup> Annual General Meeting of the Company at the Registered Office of the Company at Dempo House, Campal, Panaji-Goa 403001 on Friday, the 30<sup>th</sup> June, 2017 at 10.30 a.m.

Member's/Proxy's in Block Letters

Member's/Proxy's Signature

Note: Please complete the Folio No./DP ID-Client No. and name, sign this Attendance Slip and handover at the Meeting Hall.

**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.****GOA CARBON LIMITED**

(CIN: L23109GA1967PLC000076)

**Registered Office:** Dempo House, Campal, Panaji, Goa – 403 001Email: [investorrelations@goacarbon.com](mailto:investorrelations@goacarbon.com), Website: [www.goacarbon.com](http://www.goacarbon.com), Phone: 0832-2441300, Fax: 0832-2427192**FORTY-NINTH ANNUAL GENERAL MEETING****Friday, 30<sup>th</sup> June, 2017 at 10.30 a.m.****PROXY FORM**

Name of the Member:

Folio No./DP ID/Client ID:

Email ID:

I/We, being the member(s) of .....shares of the above named Company, hereby appoint

- (1) Name :..... Address:.....  
E.mail ID:.....Signature:..... or failing him
- (2) Name :..... Address:.....  
E.mail ID:.....Signature:..... or failing him
- (3) Name :..... Address:.....  
E.mail ID:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 30<sup>th</sup> June, 2017 at 10.30 a.m. at the Registered Office of the Company at Dempo House, Campal, Panaji, Goa 403 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business		For	Against
1.	Adoption of Audited Financial Statements, Directors' Report & Auditors' Report for the financial year ended 31 <sup>st</sup> March, 2017.		
2.	Declaration of dividend for the financial year 2016-2017.		
3.	Re-appointment of Mr. Shrinivas V. Dempo (DIN: 00043413) as Director, who retires by rotation.		
4.	Appointment of M/s. B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) as Statutory Auditors of the Company, in place of the retiring the auditors M/s. Deloitte Haskins & Sells, Chartered Accountants and to fix their remuneration.		
Special Business			
5.	Special Resolution under Section 196, 197, 198 of the Companies Act, 2013 for the revision in remuneration of Mr. Jagmohan J. Chhabra, Executive Director of the Company with effect from 1 <sup>st</sup> April, 2017, for the remaining period of his tenure i.e. up to 31 <sup>st</sup> March, 2019.		
6.	Special Resolution under Section 197 of the Companies Act, 2013 for approval of payment of Commission to Non Executive Directors of the Company from the financial year ending on 31 <sup>st</sup> March, 2018.		

Signed this.....day of ....., 2017

Signature of Shareholder .....

Signature of Proxy holder(s).....

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 49<sup>th</sup> Annual General Meeting.

Affix  
₹ 1/-  
Revenue  
Stamp**VOTING THROUGH ELECTRONIC MEANS**

<b>EVEN (Remote E-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD / PIN</b>
106163		