



**39TH ANNUAL REPORT
2006-07**

Board of Directors

Mr. Shrinivas V. Dempo *Chairman*
Mr. Dara P. Mehta
Dr. W. R. Correa
Mr. P. G. Kakodkar
Mr. Soiru V. Dempo
Mr. Keki M. Elavia
Mr. Alban F. Couto
Dr. A. B. Prasad
Mr. S. Ramachandran *Executive Director*

Company Secretary

Mr. P. S. Mantri

General Manager (Finance)

Mr. K. Balaraman

Vice President (Works) – Paradeep Unit

Mr. Rakesh Garg

General Manager (Operations) – Goa Unit

Mr. G. Maheshwar Rao

General Manager (Operations) – Bilaspur Unit

Mr. B. Ramakrishna

Registered Office

Dempo House, Campal
Panaji, Goa – 403 001

Works

1. St. Jose de Areal, Salcete, Goa – 403 730
2. 34 - 40, Sector B, Sirgitti Industrial Area
Bilaspur 495 004, Chhattisgarh State
3. Vill. Udayabata, P.O. Paradeepgarh
Dist. Jagatsinghpur, Orissa 754 142

39th Annual General Meeting
at Dempo House, Campal, Panaji, Goa
on Friday, July 27, 2007
at 10.00 a.m

Registrars & Share Transfer Agents

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai – 400 078

Bankers

Bank of India
Bank of Baroda

Auditors

M/s. Fraser & Ross, Chennai

Solicitors

M/s. Little & Co., Mumbai

CHAIRMAN'S LETTER



Dear Shareholder,

Since the beginning of the year, India has been on the international radar with big ticket M&As and acquisitions being announced month after month. This is a testimonial of the robust growth of the Indian economy. Despite international factors like the slowdown in the US economy and rising international oil prices, India has been successfully recording strong growth numbers.

The IIP was up 13.6 per cent in April 2007 compared with 9.9 percent growth a year ago. The GDP has been growing at a rate of 9% and the inflation falling below the 5% mark. All these factors have been creating a favourable outlook for the aluminium industry.

Coming to your company, we have had an eventful year with two major highlights. One being the amalgamation of erstwhile Paradeep Carbons Ltd. with Goa Carbon Ltd. Post the merger, the total capacity of your company today is 2,40,000 TPA. The amalgamation has been bringing in economies of scale. Besides, the favourable location of the Paradeep plant has been helping us to effectively cater our domestic customers which are largely based in the Orissa belt. On the other hand, the company's exports are taken care of from the strategically located plant at Goa.

Another milestone during the year was the listing of your company on the National Stock Exchange of India Ltd. (NSE), the company was earlier listed only on the Bombay Stock Exchange Ltd. (BSE).

This year, your company also changed its accounting year-end from June to March. Hence, the results announced on June 14 were for a period of 9 months from July 2006 to March 2007.

For the period ended March 2007 your company clocked sales of Rs. 18,518.21 lakhs and a net profit of Rs. 285.15 lakhs. A dividend at the rate of 15% (Rs. 1.50 per equity share) for the 9 months period, which on an annualized basis works out to 20 percent, has been recommended.

Aluminium consumption is the highest in key industries like power, transportation, construction and consumer durables. The demand has been further augmented by International consumer durable companies collaborating with Indian companies for setting up their manufacturing base in India. Therefore, in the future one can expect increasing demand of aluminium domestically, which will in turn require higher degrees of Calcined Petroleum Coke (CPC) consumption.

Even internationally, demand for aluminium from Asian countries like China has been rising steadily. Forecasts indicate that world aluminium consumption is likely to reach 42.2 MT by 2008.

The rising rupee has also been working in the favour of your company. The company's imports being greater than the exports, on a net basis your company has been deriving exchange benefits.

With a strong production base that we possess currently, your company is poised to cater to the growing demand of the industry.

We look forward to your continuous support in the future.

With best wishes,

Yours truly,

A handwritten signature in black ink, appearing to read 'Shrinivas V. Dempo', with a long, sweeping horizontal stroke extending to the right.

Shrinivas V. Dempo

Panaji-Goa, June 14, 2007.

FINANCIAL HIGHLIGHTS FOR LAST FIVE YEARS

Rupees in lacs

	1-7-06 to 31-3-07	1-7-05 to 30-6-06	1-4-04 to 30-6-05	1-4-03 to 31-3-04	1-1-02 to 31-3-03
Sales	18,518.21	23,007.28	12,103.08	9,348.15	10,891.20
Other Income	499.60	343.76	419.10	385.89	227.80
(A)	19,017.81	23,351.04	12,522.18	9,734.04	11,119.00
Raw materials & manufacturing expenses	17,753.12	21,601.05	11,965.85	9,057.18	10,003.45
Finance charges	749.36	1,144.51	557.68	418.50	431.33
(B)	18,502.48	22,745.56	12,523.53	9,475.68	10,434.78
Gross Profit/(Loss) (A – B) (C)	515.33	605.48	(1.35)	258.36	684.22
Depreciation	183.68	248.55	139.89	122.65	168.99
Provision for Taxation	46.50	(49.01)	(62.64)	54.25	95.92
(D)	230.18	199.54	77.25	176.90	264.91
Net Profit/(Loss) (C – D)	285.15	405.94	(78.60)	81.46	419.31
Dividend declared	15%	15%	5%	10%	35%

WHAT THE COMPANY OWNED					
Net Fixed Assets	2,993.81	3,035.54	731.37	899.93	1,245.61
Investments	4.05	4.05	4,328.67	1,028.67	880.75
Current Assets, Loans & Advances	16,759.09	21,098.88	7,441.26	8,150.14	6,928.33
Preliminary expenses to the extent not written off	–	–	–	–	1.31
	19,756.95	24,138.47	12,501.30	10,078.74	9,056.00
WHAT THE COMPANY OWED					
Secured Loans	11,172.04	13,831.39	6,597.33	6,136.25	3,854.13
Unsecured Loans	140.00	–	1,758.11	500.00	300.00
Deferred tax liability	–	–	100.29	158.83	174.44
Current Liabilities & Provisions	3,617.79	5,604.51	1,684.99	818.25	2,291.47
	14,929.83	19,435.90	10,140.72	7,613.33	6,620.04
NET WORTH OF THE COMPANY					
Equity Share Capital	915.11	915.11	460.00	460.00	460.00
Reserves & Surplus	3,912.01	3,787.46	1,900.58	2,005.41	1,975.96
	4,827.12	4,702.57	2,360.58	2,465.41	2,435.96

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Notice

NOTICE is hereby given that the 39th Annual General Meeting of the Members of Goa Carbon Limited will be held at the Registered Office of the Company at **Dempo House, Campal, Panaji, Goa – 403 001**, on **Friday, the 27th July, 2007** at **10.00 a.m.** to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2007 and Profit and Loss Account for the period ended on that date as also the reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Keki M. Elavia, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. G. Kakodkar who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Soiru V. Dempo who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its consent and approval for payment of enhanced remuneration of basic salary of Rs. 80,000/- per month in the scale of Rs. 80,000/- to Rs. 150,000/-, Allowances and Perquisites as given in the Annexure hereto and introduction of Performance Linked Pay not exceeding 50% of the salary, payable annually for each financial year as may be determined by the Board to Mr. S. Ramachandran, Executive Director of the Company, with effect from 1st April, 2007 more particularly set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting, with a liberty to the Board of Directors (including its Committee appointed for the purpose) to grant increments in salary and to alter and vary from time to time the amount and type of perquisites and allowances to be provided to Mr. S. Ramachandran, within the limits specified in Part I, i.e. in case of profit, and Part II, i.e. in case of inadequacy of profit, of Schedule XIII to the Companies Act, 1956 or any amendments thereto, during the remainder of his term of appointment.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the special business is annexed hereto.
3. The Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from **Tuesday, the 24th July, 2007** to **Friday, the 27th July, 2007** (Both days inclusive).
4. Members are requested to notify immediately any change of address to their Depository Participants (DP's) in respect of their electronic share accounts and to the Company's Share Transfer Agent, Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
5. The dividend on equity shares, as recommended by the Board if approved at the ensuing Annual General Meeting



of the Company, will be paid within 30 days from the date of declaration to those members or their mandatees whose names appear on the Company's Register of Members:

- a) as beneficial owners as at the end of business on **23rd July, 2007**, as per the lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of shares held by electronic form, and
 - b) as members in the Register of Members of the Company after giving effect of valid share transfers in physical form lodged with the Company on or before **23rd July, 2007**.
6. Facility of electronic credit of dividend directly to the respective bank accounts of our shareholders through Electronic Clearing Service (ECS), is available. This facility is currently at the locations specified in the Mandate Form separately enclosed in this Annual Report. This is in addition to the Bank Mandate Facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS Mandate Facility or the Bank Mandate Facility (if not done earlier) are requested to complete and submit the Mandate form that is separately enclosed with this Annual Report, so as to reach the Company's Share Transfer Agent **latest by 23rd July, 2007**. Kindly note that shareholders holding shares in dematerialized form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.
7. Those Members who have so far not encashed their dividend warrants for the below mentioned financial years are requested to claim or approach the Company for the payment as the same will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to the introduction of Section 205C by the Companies (Amendment) Act, 1999 on the dates as mentioned thereagainst.

Financial year ended	Due date of transfer
31-03-2001	23-10-2008
31-12-2001	30-07-2009
31-03-2003	20-10-2010
31-03-2004	22-10-2011
30-06-2005	14-01-2013
30-06-2006	04-02-2014

Pursuant to Section 205C of the Companies Act, 1956, all unclaimed dividends for the financial years ended 31st March, 1996 to 31st March, 2000 have been transferred to the Investors Education and Protection Fund.

Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period(s) are requested to claim the same from the Central Government in the prescribed form.

Directors

Mr. Keki M. Elavia, Mr. P. G. Kakodkar and Mr. Soiru V. Dempo are retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

The information to be provided for these directors under the Corporate Governance Code of the Listing Agreement, is given in the Corporate Governance Section of this Annual Report.

By Order of the Board of Directors

P. S. MANTRI
Company Secretary

Registered Office :
Dempo House, Campal
Panaji, Goa – 403 001
Dated: June 14, 2007

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS MENTIONED IN THE ACCOMPANYING NOTICE DATED JUNE 14, 2007.

ITEM 7

At the Annual General Meeting held on December 30, 2006, the Members had approved the appointment and payment of remuneration, perquisites and benefits to Mr. S. Ramachandran as Director in Whole-time employment of the Company (designated as “Executive Director”) upon the terms as set out in the resolution passed at that Meeting as well as on the other terms and conditions set out in the Agreement approved in that Meeting.

Mr. S. Ramachandran has undertaken organizational restructuring processes including innovative operational efficiency measures at the Paradeep Unit of the Company and has diversification & expansion plans for sustaining and enhancing the Company's growth. Taking into consideration the above, the Board of Directors as reviewed by the Remuneration Committee, at its meeting held on June 14, 2007, revised / varied the terms of remuneration of Mr. S. Ramachandran, Executive Director, with effect from 1st April, 2007 for the remainder of his current term of appointment, as follows:

I. Salary

i) Basic:

Rs. 80,000/- (Rupees Eighty Thousand only) per month (in the scale of Rs. 80,000/- to Rs. 150,000/-). Salary shall normally be subject to review for competitiveness periodically thereafter, being adjusted as appropriate and as approved by the Board.

ii) Allowances:

Not exceeding Rs. 48,500/- (Rupees Forty Eight Thousand Five Hundred only) per month. In addition to this monthly allowance, Soft Furnishing Allowance not exceeding Rs. 40,000/- (Rupees Forty Thousand only) per annum.

iii) Bonus:

As may be declared by the Company for its employees subject to maximum limit of 20% of salary.

iv) Performance Linked Pay:

Eligible for variable performance payments, normally made once annually following the end of the preceding fiscal year. Payments will be linked to individual, team and business performance achieved that year and may range maximum upto 50% of annual salary paid as approved by the Board.

II. Perquisites:

In addition to the above salary, entitled to the following perquisites:

Housing I:

The Company shall provide suitable furnished, residential accommodation and the expenditure by the Company on hiring such furnished accommodation shall be subject to a ceiling of Rs. 30,000/- per month.

Housing II:

In case, no accommodation is provided by the Company, the Executive Director shall be entitled to House Rent/ Maintenance Allowance not exceeding Rs. 30,000/- per month.

Medical Reimbursement:

Medical expenses incurred by the Executive Director for self and family, will be reimbursed by the Company subject to a ceiling of Rs. 80,000/- per annum or Rs. 240,000/- for a block of three years.

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

**Leave Travel Concession:**

For self and family once in a year, incurred as per rules of the Company, subject to a ceiling of Rs. 80,000/- per annum or Rs. 240,000/- for a block of three years.

Club Fees:

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

Personal Accident Insurance:

Premium not to exceed Rs. 1,000/- per annum.

Communications:

Telephone facility at residence for the conduct of the Company's business.

Car:

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

Leave:

One month's leave (30 days) with full pay for every 11 months of service, subject to the condition of leave accumulation/encashment as per the Scheme of the Company but restricted to a maximum accumulation of 150 days at any time.

Provident Fund:

Company's contribution to the Provident Fund shall be as per the Scheme of the Company.

Pension/Superannuation:

Company's contribution to Pension/Superannuation Fund shall be in accordance with the Scheme of the Company. Such contributions together with contribution towards Provident Fund shall not exceed the tax free limit laid down under the Income Tax Act, 1961.

Gratuity:

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

Encashment of Leave:

Unavailed accumulated earned leave encashable at the conclusion of the contract period.

All other terms and conditions of the appointment of Mr. S. Ramachandran, Executive Director as set out in the Agreement entered into by the Company with Mr. S. Ramachandran will remain unchanged. The Resolution for the revision / variation in the terms of remuneration as aforesaid is commended for acceptance by the Members.

This may be treated as the requisite abstract under Section 302 of the Companies Act, 1956.

Mr. S. Ramachandran is deemed to be concerned and interested in this resolution as it relates to him. No other director is concerned and interested in the said resolution.

By Order of the Board of Directors

P. S. MANTRI
Company Secretary

Registered Office:

Dempo House, Campal
Panaji, Goa – 403 001

Dated: June 14, 2007

Directors' Report

Your Directors have pleasure in presenting the 39th Annual Report and Audited Statement of Accounts of the Company for the nine months ended 31st March, 2007.

OPERATING RESULTS:

The Company's performance for the period under review was satisfactory considering the challenges and sluggish market conditions. Your Company's performance during the period under review is summarized below:

FINANCIAL RESULTS:

	9 Months ended 31-3-2007 Rs. in Lacs		12 Months ended 30-6-2006 Rs. in Lacs	
Profit before tax for the period		331.65		356.93
Less: Provision for Tax				
Current	39.95		40.00	
Deferred Tax	–		(100.29)	
Fringe Benefit Tax	6.55		11.28	
		46.50		(49.01)
Profit for the year after tax		285.15		405.94
Add: Balance b/f from P & L A/c of previous years	131.07		109.65	
Less: Balance accumulated loss of Paradeep Carbons Limited as on 30-06-2005 after adjustment against General Reserve	–		178.00	
		131.07		(68.35)
Available for appropriations		416.22		337.59
Appropriations:				
General Reserve		100.00		50.00
Proposed Dividend		137.27		137.27
Corporate Tax on Dividend		23.33		19.25
Balance carried to Balance Sheet		155.62		131.07
		416.22		337.59

DIVIDEND:

Your Directors recommend a dividend at the rate of 15 percent (Rs. 1.50 per Equity Share) for the 9 months ended 31st March, 2007 which on an annualised basis works out to 20 percent as compared to 15 percent (Rs. 1.50 per Equity Share) for the 12 months ended 30th June, 2006.

OPERATIONS:

The sales turnover of the Company for the period under review was Rs. 18,518.21 lacs (9 months) as compared to Rs. 23,007.28 lacs (12 months) during the previous year. The production of Calcined Petroleum Coke ("CPC") was 140413 MT (9 months) compared to 196987 MT (12 months) during the previous year.



The sales of CPC were 157901 MT (including exports 55892 MT) for the 9 months period under review as compared to 201813 MT (including exports 103913 MT) for the 12 months of the previous year. The export turnover of the Company was Rs. 5,826.96 lacs in the 9 months period under review as against Rs. 10,666.39 lacs in the 12 months of the previous year.

LISTING INFORMATION:

The Equity Shares of your Company have been listed on the National Stock Exchange of India Limited (NSE) and trading has commenced from June 5, 2007. Accordingly, the Equity Shares of the Company are, now, listed on the Bombay Stock Exchange Limited (BSE) and NSE.

The Listing Fees for the year 2007-2008 have been paid to BSE and NSE.

ISO 9001 & ISO 14001 COMPLIANCE:

The Company continues to enjoy ISO 9001 & ISO 14001 accreditation.

ENVIRONMENT AND SOCIAL CONCERN:

Your Company continues its efforts for the betterment of the environment through energy conservation, waste minimization and by installing modern devices for pollution control.

PUBLIC DEPOSITS:

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

HUMAN RESOURCES:

Industrial relations continued to be cordial throughout the year under review.

Your Directors wish to place on record their appreciation of the contributions made by the employees and workers of your Company at all levels during the year under review.

DIRECTORS:

Mr. Keki M. Elavia, Mr. P. G. Kakodkar and Mr. Soiru V. Dempo retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment, which the Board recommends.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- (iv) the Directors have prepared the annual accounts on a going concern basis.

AUDITORS:

You are requested to appoint Auditors for the current financial year and fix their remuneration. The retiring Auditors, M/s. Fraser & Ross, Chartered Accountants, are eligible for re-appointment.

**AUDITORS' REPORT:**

The observations made in the Auditors' Report are dealt with in the notes forming part of the accounts, which are self-explanatory and therefore, do not call for any further comments or explanations.

PARTICULARS OF EMPLOYEES:

The Company has no employee in the category specified under Section 217 (2A) of the Companies Act, 1956.

PARTICULARS OF CONSERVATION OF ENERGY ETC.:

Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required under Section 217 (1) (e) of the Companies Act, 1956 is set out in Annexure of this Report and forms part of it.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement a Management Discussion and Analysis Report and a report on Corporate Governance are provided in separate sections as a part of this Annual Report. A certificate from the Statutory Auditors of the Company certifying the Company's compliance with the requirements of corporate governance in terms of Clause 49 of the Listing Agreement with the Stock Exchange is also annexed to the section on Corporate Governance.

ACKNOWLEDGEMENT:

Your Directors wish to acknowledge and thank the Central Government, Government of Goa, Orissa and Chhattisgarh and all regulatory bodies for their support and guidance.

Your Directors thank the esteemed shareholders, customers, business associates, Bankers and other business constituents of the Company for their co-operation.

Your Directors also wish to place on record their appreciation of the dedication and contribution of all the employees of the Company.

For and on behalf of the Board of Directors

SHRINIVAS V. DEMPO
Chairman

Panaji, Dated: 14th day of June, 2007



Annexure to the Directors' Report

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

(A) Conservation of Energy	Goa Plant	Bilaspur Plant	Paradeep Plant
(a) energy conservation measures	<p>Consumption of Electrical energy per metric ton of Calcined Petroleum Coke produced during the period 01-07-2006 to 31-03-2007 has been lowered to 14.34 kwh/ton of CPC as against 15.68 kwh/MT of previous year (01-07-2005 to 30-06-2006). In addition to this, power factor rebate of 39314 kwh unit obtained for the period 01-07-2006 to 31-03-2007 by strictly monitoring the power factor (5% Max).</p> <p>Furnace oil consumption per ton of CPC produced is 3.63 ltr./MT as against 3.88 ltr./MT. during previous year. This has been achieved by enhanced process control.</p> <p>Consumption of energy is being regularly monitored and reviewed.</p>	<p>Consumption of electrical energy per MT of Calcined Petroleum Coke produced has slightly increased from 19.06 units in the previous year to 20.52 units during the year. This higher consumption was primarily due to installation of sieving & crushing equipment.</p> <p>Furnace oil consumption per MT of Calcined Petroleum Coke produced has decreased from 10.37 ltr./MT of CPC produced to 3.37 ltr./MT on account of sustained operational improvements. Further measures are being initiated for reduction of Furnace Oil consumption.</p>	<p>The Electrical energy consumption during the year 2006-07 was 16.44 kwh p/mt of CPC as compared to 18.38 kwh of the previous year. The cost of electrical energy per MT of CPC was Rs. 81.03 as compared to the previous year cost of Rs. 80.82. (The increase is due to high running time of DG set i.e. more number of power failure & hike in diesel price). Power factor rebate of Rs. 95,251/- achieved during the year, maintaining unity power factor.</p> <p>The consumption of fuel i.e. F.O. P/MT of CPC during the year 2006-07 was 1.29 ltr. as compared to the previous year consumption of 10.29 ltr. The consumption of energy has been reduced considerably.</p> <p>The consumption of energy is being monitored regularly.</p>
(b) additional investment and proposals, if any, being implemented for reduction of consumption of energy.	<p>1) Star / delta / star starter provided for some conveyors to reduce electricity consumption.</p> <p>2) CFL lamps and sodium vapour lamps provided at listed places</p>	<p>A new Furnace oil burner at a cost of Rs. 1,19,600/- along with Compressor at a cost of Rs. 1,81,709/- is scheduled to be installed.</p>	<p>The proposal to have an independent dedicated 11 KVA feeder line has been kept on hold, as the proposal for power generating unit by using the waste heat generated by the kiln is in an advanced stage. Once it is approved, then the final action will be finalized.</p>
(c) impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.	<p>Above starter replacement etc. are expected to save around 4 to 5% of electrical energy consumption on current connected load.</p>	<p>Significant reduction in the cost of production of CPC is expected.</p>	<p>The energy consumption is expected to be reduced further after having the power generating unit / independent feeder as planned.</p>

Annexure to the Directors' Report (Contd.)

(d) total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in the schedule thereto.

Not applicable to our industry.

(B) Technology Absorption

(e) efforts made in technology absorption as per Form-B of the Annexure.

Please refer to the enclosure.

(C) Foreign Exchange Earnings and Outgo

(f) activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans.

The Company's export to internationally renowned aluminium majors as per long term contract still continue.

(g) total foreign exchange used and earned.

Foreign Exchange used for importing raw material, interest on foreign currency loans and travel expenses of all employees for official work, etc. was equivalent to Rs. 119.71 crores.

Foreign Exchange earned during the year 2006-2007 by exporting finished product was equivalent to Rs. 58.27 crores.



FORM – B

(See Rule 2)

Form for disclosure of particulars with respect to Technology Absorption

Research and Development (R & D)

1. Specific area in which R & D carried out by the Company
2. Benefits derived as a result of the above R & D
3. Future plan of action
4. Expenditure on R & D
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total R & D expenditure as a percentage of total turnover

As reported, Company has been able to achieve reduction in energy consumption and higher product recovery with efforts towards continuous and consistent reviews of all processes & operations and consequent improvement actions.

Technology absorption, adaptation and innovation

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

The Company is trying to improve the production efficiency and has been able to achieve an improvement during the period under review.

Not applicable

Management Discussion and Analysis

The year 2006-07 was an extremely challenging as well as difficult year for Calcined Petroleum Coke (CPC) industry, due to demanding economic scenario, rising raw material prices and ocean freight. Despite these negative factors, the Company has demonstrated positive competence for growth in sales turnover.

The Company reviewed short, medium and long-term business prospects of Petroleum Coke industry and is of the view that even though Petroleum Coke business is having good demand, there are pressures on margin and profitability. The growth of Petroleum Coke business is linked with the growth of basic aluminium metal production, steel industry and manufacture of titanium dioxide. It is reported that growth of aluminium metal production is expected to be in the range of 6% to 9%. The steel industry globally is looking up for a growth which is expected to be positive. There are number of Brownfield expansions happening and some of them are at completion stage. After considering all these factors, the management is of the firm view that Petroleum Coke business is promising in the long term.

As you are aware, Goa Carbon Limited has integrated all its acquisitions by merger of both its erstwhile subsidiaries to realize maximum operational efficiency and to meet buyer's requirement of CPC on all India basis.

RAW MATERIAL CONSUMED

Raw Petroleum Coke (RPC) commonly known as Green Coke is the main raw material for the Company. RPC is produced in India by petroleum refineries located mainly in the eastern parts of India. Since the delivery cost of RPC from Indian Refineries is cost prohibitive, the Company mainly imports RPC from China, Kuwait and other countries depending on FOB prices and freight rates so as to convert final product at the competitive price in the market. Company's Bilaspur Unit mainly uses RPC from eastern parts of India and to some extent by importing through Paradeep Port, whereas Paradeep Unit has an advantage of using RPC from refineries based in eastern parts of India and also imported from other countries.

During the period under review, the performance of the Company was affected adversely due to sudden and steep upward rise in FOB prices of RPC as well as increase in ocean freight and the increase in cost of raw material and freight has not reasonably compensated in the sale price of CPC. The requirement of CPC quality differs from customer to customer and hence blending of various qualities of RPC is the essence of CPC business. The Company is making continuous efforts to reduce delivered cost of raw material by exploring new sources of material.

RESEARCH AND DEVELOPMENT

Research and Development is a continuous and ongoing process at Goa Carbon Limited. Your Company's trust is always on innovations and discovering new and improved methods and concepts, thus to improve quality of the product, achieve cost effectiveness as well as operational efficiency.

HUMAN RESOURCES

Your Company takes all initiatives keeping in mind overall organizational developments so as to enhance employee's productivity, efficiency and accountability.

Employees are trained by involving them in various programmes and seminars to keep them updated on information and new technology so as to achieve cost effectiveness and maximum capacity utilization.

The Company always enjoys cordial relations with its workers.



EXPORTS

Your Company is continuously exploring opportunities in the global market for exporting its products. During the period under review the export turnover of Rs. 5826.96 lacs accounts for 31.47% of the total turnover. Your Company has identified the key growth global markets and is exploring for opportunities in those countries. Your Company's state-of-the-art manufacturing facilities gives ample opportunities for leading global aluminium smelters to out source requirements from the Company.

INTERNAL CONTROL SYSTEM

Your Company has a proper and adequate system of internal control to ensure that all assets are protected and safeguarded. Your Company has well documented operating procedures and authorizations which itself are adequate for internal controls. Adequate internal checks are built in to cover all financial transactions with systematic delegation of authority. The Company's ISO system also provides better level of system based on checks and controls.

OUTLOOK FOR 2007-08

Although the market environment remains challenging, the Company, through its continuous customer centric attitude, is confident of driving growth to maintain its leadership in the industry. Cost effectiveness, operational efficiency, increase in market share and optimum utilization of production capacity will be major factors for the business growth and profitability for the year ahead.

CAUTIONARY STATEMENT

Some of the statements given in the above management discussions & analysis about company's projections, estimates or expectations may be 'forward looking statement' within the meaning of local laws and regulations. Actual results may differ substantially from those expressed or implied statements. The major forces which can affect the company's operations include a down trend in the industry, Mega Merger, take over, consolidation of Aluminium majors and subsequently their policies for resourcing CPC, significant changes in political and economic policies as well as tax laws, import duties, litigations or labour relations.

Corporate Governance Report

A. MANDATORY REQUIREMENTS

1. Company's philosophy on Corporate Governance:

Good corporate governance is a pre-requisite for enhancing shareholder's long-term value. The Company's policies and practices are aimed at efficient conduct of business and effectively meeting its obligations to shareholders. GCL has been consistently improving transparency and accountability to all its shareholders. The Company complies with the current requirements relating to corporate governance, under the Listing Agreement entered into with the Stock Exchanges. GCL firmly believes that good corporate practices underscore its drive towards competitive strength and sustained performance. These practices are also powerful tool for building trust and long-term relationship with stakeholders of the Company. Company's thrust on transparency, integrity, accountability and disclosure has enabled it to accomplish best Corporate Governance practices.

2. Board of Directors:

The Board of Directors consists of nine directors including an Executive Director and eight non-executive directors, with five of them being Independent Directors.

The constitution of the Board is given below:

Name of Director	Executive/Non-Executive/ Independent	No. of other Directorships	Membership of other Board Committees
Shrinivas V. Dempo	Chairman, Non-Executive	29 ¹	–
Dara P. Mehta	Independent Director	14 ²	–
Dr. W. R. Correa	Independent Director	1	1
P. G. Kakodkar	Independent Director	13	6
Soiru V. Dempo	Non-Executive Director	12	–
Keki M. Elavia	Independent Director	11	7
Alban F. Couto	Independent Director	–	–
Dr. A. B. Prasad	Non-Executive Director	2	–
S. Ramachandran	Executive Director	–	–

¹ Includes directorships held in 27 private limited companies.

² Includes 6 companies in which Mr. Dara P. Mehta is an Alternate Director.

Attendance of Directors at Board Meetings and Annual General Meeting:

During the period under review, five (5) Board Meetings were held on July 29, 2006, October 30, 2006, November 25, 2006, December 30, 2006 and January 23, 2007.

The Company placed before the Board the relevant information including that specified under Annexure-IA of the Listing Agreement.



The attendance at the Board Meetings and last Annual General Meeting (AGM) were as under:

Name of Director	Board Meetings Attended	AGM
Shrinivas V. Dempo	5	✓
Dara P. Mehta	5	✓
Dr. W. R. Correa	1	–
P. G. Kakodkar	4	✓
Soiru V. Dempo	5	✓
Keki M. Elavia	5	✓
Alban F. Couto	4	✓
Dr. A. B. Prasad	5	✓
S. Ramachandran	2	✓

Remuneration of Directors:

Details of remuneration paid/payable to directors for the period ended March 31, 2007 are as follows:

Name of Director	Salary (Rs.)	Benefits (Rs.)	Bonus/ Commission (Rs.)	Performance linked incentive (along with criteria)	Sitting fees ^o (Rs.)	Total (Rs.)	Stock Options	Service Contract/ Notice period/ Severance fees/ Pension
Shrinivas V. Dempo	–	–	–	–	37,500	37,500	–	Retirement by Rotation
Dara P. Mehta	–	–	–	–	47,500	47,500	–	Retirement by Rotation
Dr. W. R. Correa	–	–	–	–	7,500	7,500	–	Retirement by Rotation
P. G. Kakodkar	–	–	–	–	62,500	62,500	–	Retirement by Rotation
Soiru V. Dempo	–	–	–	–	80,000	80,000	–	Retirement by Rotation
Keki M. Elavia	–	–	–	–	47,500	47,500	–	Retirement by Rotation
Alban F. Couto	–	–	–	–	30,000	30,000	–	Retirement by Rotation
Dr. A. B. Prasad	5,69,500	1,66,599	–	–	32,500	7,68,599	–	Retirement by Rotation *
S. Ramachandran	4,94,000	2,46,853	–	–	–	7,40,853	–	**

^o includes sitting fees paid for Committee Meetings

* Dr. Prasad was appointed as Director w.e.f. 01-12-2006 upon expiry of his term as Managing Director on 30-11-2006.

** Five years w.e.f. December 1, 2006/notice period 6 months/N.A./N.A.

Notes:

1. Mr. Dara P. Mehta is the senior partner of Little & Co., Solicitors and Advocates, who have a professional relationship with the Company. The quantum of professional fees received by Little & Co. from the Company is less than 2% of the total revenues of the legal firm. The Board of Directors is of the view that, the association of the legal firm, with the Company is not material. The professional fees of Rs. 52,500/- paid to the legal firm during the 9 months period ended 31-03-2007 are not considered material enough to affect the independence of Mr. Dara P. Mehta.
2. Apart from the above, the Company does not have any other pecuniary relationship or transactions with the Directors.

Note on Directors appointment / re-appointment:

Mr. Keki M. Elavia, Mr. P. G. Kakodkar and Mr. Soiru V. Dempo are retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Brief details concerning these Directors are given below:

Mr. Keki M. Elavia

Mr. Keki M. Elavia is a fellow of the Institute of Chartered Accountants of India and is a senior partner of Kalyaniwalla & Mistry, Chartered Accountants, Mumbai. He is a Member of the Corporate Governance and Audit Committee of The Hong Kong and Shanghai Banking Corporation Limited. Presently, he is on the Board of the following other companies:

Sr. No.	Name of the Company	Designation / Membership of Board Committees
1.	NRB Bearings Limited	Director & Member of the Audit Committee and Chairman of the Share Transfer & Investor Grievance Committee
2.	Grover Vineyards Limited	Alternate Director
3.	Uni Abex Alloy Products Limited	Director & Chairman of the Audit Committee
4.	Mazars Business Solutions Private Limited	Director
5.	Uni Deritend Limited	Director & Chairman of the Audit Committee
6.	Uni Klinger Limited	Director
7.	Allcargo Global Logistics Limited	Director & Chairman of the Audit Committee
8.	Bombay Metal and Alloys Manufacturing Company Limited	Director
9.	Iron & Metal Traders Private Limited	Director
10.	Sulzer India Limited	Director & Member of (i) Audit Committee & (ii) Shareholders'/ Investors' Grievance Committee and Share Allotment/Transfer Committee
11.	Zest Pharmaceuticals Private Limited	Director

Mr. P. G. Kakodkar

Mr. P. G. Kakodkar is M.A. (Economics) and retired as Chairman-cum-Managing Director of the State Bank of India. Mr. Kakodkar has served as our non-executive director since September 27, 1999. Presently, he is on the Board of the following other companies:

Sr. No.	Name of the Company	Designation / Membership of Board Committees
1.	Financial Technologies (India) Ltd.	Director & Member of the Audit Committee
2.	Sesa Industries Ltd.	Director
3.	SBI Funds Management Pvt. Ltd.	Director
4.	Mastek Ltd.	Director, Chairman of the Audit Committee & Member of the Compensation Committee
5.	Hexaware Technologies Ltd.	Director
6.	Fomento Resorts & Hotels Ltd.	Director & Member of the Audit Committee
7.	Centrum Finance Ltd.	Director
8.	Sesa Goa Ltd.	Director, Chairman of the Audit Committee, Chairman of the Investors Relations Committee, Member of the Remuneration Committee
9.	Uttam Galva Steel Ltd.	Director & Member of the Audit Committee
10.	Auditime Information Systems (I) Pvt. Ltd.	Director
11.	Multi Commodity Exchange Ltd.	Director
12.	IBX Forex Ltd.	Chairman
13.	Ratnakar Bank Ltd.	Director



Mr. Soiru V. Dempo

Mr. Soiru V. Dempo is B.A. (Economics). Mr. Dempo has been our non-executive director since September 25, 2000. He is on the Board of the following other companies:

Sr. No.	Name of the Company	Designation / Membership of Board Committees
1.	V. S. Dempo & Co. Pvt. Ltd.	Whole-time Director
2.	Dempo Mining Corporation Pvt. Ltd.	Managing Director
3.	Hindustan Foods Ltd.	Whole-time Director
4.	Dempo Shipyard Pvt. Ltd.	Director
5.	Sindhudurg Mining Corporation Pvt. Ltd.	Director
6.	Dempo Travels Pvt. Ltd.	Director
7.	Jaico Investments Pvt. Ltd.	Director
8.	Celtic Investments Pvt. Ltd.	Director
9.	Ameya Investments Pvt. Ltd.	Director
10.	Jaiprabha Investments Pvt. Ltd.	Director
11.	Suhas Investments Pvt. Ltd.	Director
12.	Troy Investments Pvt. Ltd.	Director

Shareholding of Directors:

As on March 31, 2007, Mr. Shrinivas V. Dempo holds 29,400 equity shares, Mr. Dara P. Mehta holds 4,000 equity shares, Dr. W. R. Correa holds 1,400 equity shares and Mr. S. Ramachandran holds 1,500 equity shares in the Company. None of the remaining directors hold any shares in the Company.

Code of Conduct:

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the Code has been made by the Directors and Senior Management of the Company.

The declaration of the Executive Director is given below:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, I, S. Ramachandran, Executive Director of Goa Carbon Limited, declare that all Board Members and Senior Executives of the Company at its Corporate Office have affirmed their compliance with the Code of Conduct during the financial year ended March 31, 2007.

Panaji-Goa
June 14, 2007

S. Ramachandran
Executive Director

Committee of Directors:

The Company had constituted a Committee of Directors on January 24, 2005, to look into the future business outlook for the Company including its subsidiaries, to suggest various proposals to the Board including restructuring, mergers, acquisitions, new investment avenues etc. and to monitor & ensure the implementation of the accepted suggestions.

The members of the Committee are Mr. Dara P. Mehta, Mr. Keki M. Elavia and Dr. A. B. Prasad. The Committee is chaired by Mr. Dara P. Mehta.

No meeting of the Committee was held during the period under review.

3. Audit Committee:

During the period under review, the Committee held four meetings, one of which was before the finalisation of the accounts and the others before the approval of the Quarterly Financial Results by the Board. The dates on which the said meetings were held are as follows:

July 29, 2006 October 29, 2006 November 25, 2006 January 23, 2007

The constitution of the Committee and the attendance of each member of the Committee is given below:

Name	Designation	Non-Executive/ Independent	Profession	Committee Meetings Attended
Dara P. Mehta	Chairman	Independent Director	Solicitor	4
Keki M. Elavia	Member	Independent Director	Chartered Accountant	4
P. G. Kakodkar	Member	Independent Director	Banking Consultant	3

The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement entered into with the Stock Exchanges and inter alia include the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment/removal of external auditors, fixing audit fees and approving payments for any other services;
- Approving fees for non-audit consulting/services provided by the firms of Statutory Auditors;
- Reviewing with Management the periodic financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgement by management;
 - Significant adjustments arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large;
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussing with internal auditor and significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditor into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with external auditors before the audit commences, the nature and scope of audits as well as conduct post-audit discussions to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies;
- Initiating investigations into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

4. Remuneration Committee:

The Remuneration Committee comprises 3 non-executive Directors viz., Mr. P. G. Kakodkar (Chairman), Dr. W. R. Correa and Mr. Soiru V. Dempo.

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

The Remuneration Committee met once on November 25, 2006 during the period under review. Except for Dr. W. R. Correa, the other members attended the meeting.



5. Share Transfer and Investors' Grievance Committee:

The Share Transfer and Investors' Grievance Committee approves the transmission/transfer of shares, issue of new/duplicate share certificates and oversees and reviews all matters connected with securities transfer. The Committee also looks into the redressal of shareholders' and investors' complaints/grievances. The Share Transfer & Investors' Grievance Committee met 16 times during the period under review and the constitution of the Committee and attendance of each member at the meetings was as follows:

Name of the Member	Status	Number of Meetings Attended
P. G. Kakodkar	Chairman	9
Soiru V. Dempo	Member	16
Dr. A. B. Prasad	Member	16

The total number of letters / complaints received and replied to the satisfaction of shareholders during the period under review were 393. There were no outstanding letters / complaints as on March 31, 2007.

Mr. P. S. Mantri, Company Secretary is the Compliance Officer under Clause 47 of the Listing Agreement with the Stock Exchanges.

6. General Meetings:

The last three Annual General Meetings (AGM's) of the Company were held as under:

Particulars	Date	Time	Venue
36 th AGM	September 16, 2004	10.30 a.m.	All three Annual General Meetings were held at Dempo House Campal, Panaji, Goa – 403 001
37 th AGM	December 10, 2005	10.30 a.m.	
38 th AGM *	December 30, 2006	10.00 a.m.	

* A special resolution was passed approving and consenting to the appointment and payment of remuneration, perquisites and benefits to Mr. S. Ramachandran as Director in Whole-time employment of the Company (designated as "Executive Director") for a period of five years with effect from December 1, 2006.

7. Postal Ballot:

For the period ended March 31, 2007, 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.

8. Disclosures:

- During the period 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.
- The Company has complied with the requisite regulations relating to capital markets. There were no penalties or strictures imposed on the Company by any of the 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.
- Pursuant to sub-clause VII(2) of Clause 49, the Company confirms that it has complied with all mandatory requirements prescribed in Clause 49 of the Listing Agreement.

9. Means of Communication:

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

The Company has also posted information relating to its financial results and shareholding pattern on Electronic Data Information Filing and Retrieval (EDIFAR) at www.sebiedifar.nic.in.

No presentations have been made to institutional investors or to analysts.

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

10. General Shareholder Information:

a) Annual General Meeting

- Date and Time 27th July, 2007 at 10.00 a.m.
- Venue Dempo House, Campal, Panaji, Goa – 403 001

b) Financial Calendar

- Financial reporting for
- Quarter ending June 30, 2007 July 2007
- Quarter ending September 30, 2007 October 2007
- Quarter ending December 31, 2007 January 2008
- Quarter ending March 31, 2008 April 2008
- Annual General Meeting for the year ending March 31, 2008 In September 2008

c) Date of Book Closure

Tuesday, the 24th July, 2007 to Friday, 27th July, 2007 (both days inclusive), for payment of dividend.

d) Dividend Payment Date

Within the statutory time limit of 30 days from the date of the Annual General Meeting.

e) Listing on Stock Exchanges at

The Bombay Stock Exchange Limited
(Scrip Code: 509567);
The National Stock Exchange of India Limited
(Scrip Code: GOACARBON)

f) Demat ISIN Number for NSDL & CDSL

INE426D01013

g) Stock market data:

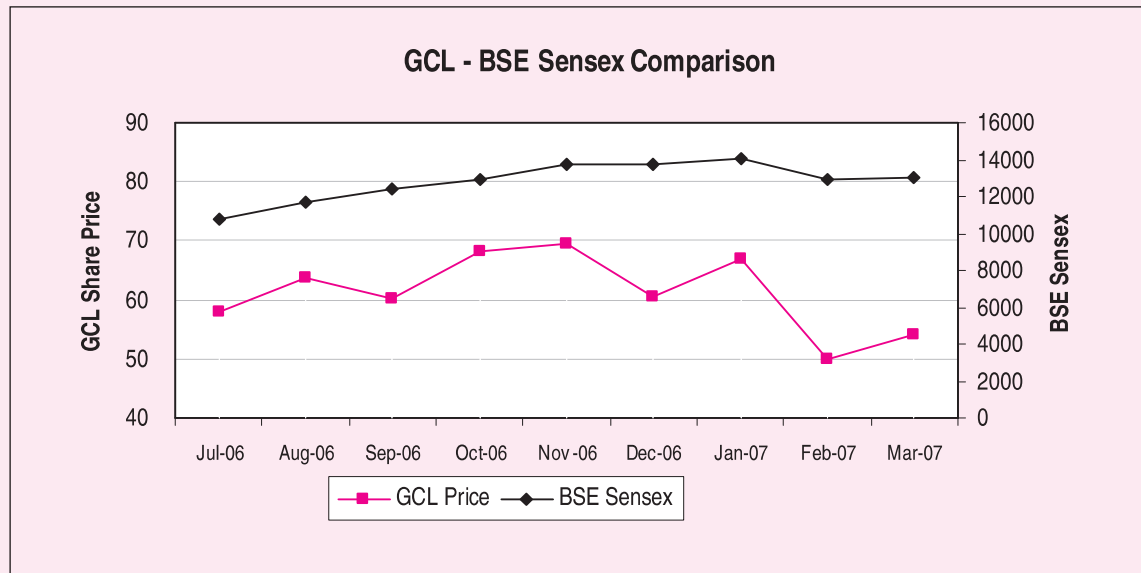
Monthly high and low of closing quotations and volume of shares traded on the Bombay Stock Exchange Limited (BSE) are given below:

	High (Rs.)	Low (Rs.)	Volume (Nos.)
July 2006	68.20	50.00	65313
August 2006	66.75	55.50	90933
September 2006	66.70	56.15	85824
October 2006	76.85	60.10	185994
November 2006	72.50	59.00	148739
December 2006	74.00	56.60	389224
January 2007	73.90	56.45	517494
February 2007	68.95	49.00	445183
March 2007	57.00	43.25	425031



h) **Stock performance vs BSE Sensex:**

The performance of the Company's Equity Shares relative to the BSE Sensitive Index (BSE Sensex) is given in the chart below:



i) **Registrar & Share Transfer Agents:**

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West), Mumbai 400 078
Ph.: (022) 2596 3838
Fax: (022) 2594 6969
Email: isrl@intimespectrum.com

j) **Share Transfer System:**

The Company's shares which are in compulsory dematerialized (demat) list, are transferable through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents, M/s. Intime Spectrum Registry Limited and approved by the Share Transfer & Investors Grievance Committee of the Company, usually at fortnightly intervals. Transfer of shares is effected and the share certificates are sent to the transferees within 20 days from the date of receipt of transfer documents by M/s. Intime Spectrum Registry Limited, provided the relevant documents are complete in all respects. Total number of shares (physical form) transferred during the period under review was 13,618. As at March 31, 2007 no equity shares were pending for transfer.

The Company conducts a Secretarial Audit on a quarterly basis in accordance with SEBI requirements. M/s. Ranjeet Agrawal, Practising Company Secretary has been assigned the task of conducting such audit. The Secretarial Audit Reports of M/s. Ranjeet Agrawal, Practising Company Secretary, which have been submitted to the Stock Exchanges within the stipulated period, inter alia confirms that the equity shares of the Company held in dematerialized form and in physical form tally with the issued and paid-up equity share capital of the Company.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchange, Certificates on half-yearly basis, have been issued by M/s. Ranjeet Agrawal, Practising Company Secretary for due compliance of share transfer formalities by the Company.

k) **Distribution of Shareholding as on March 31, 2007**

Distribution of Equity Shares according to size of holding

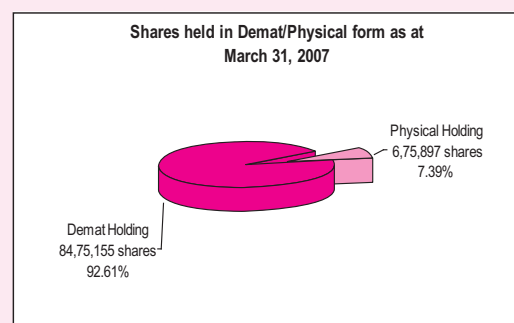
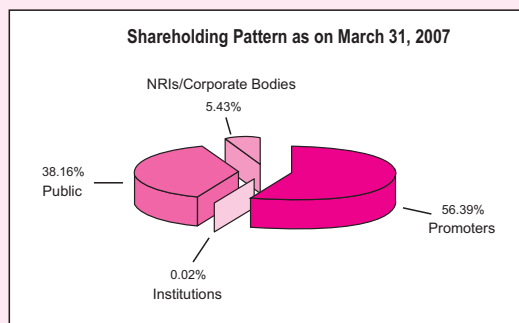
No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
Upto 500	13,298	92.43	14,32,295	15.65
501 to 1000	593	4.12	4,65,609	5.09
1001 to 2000	262	1.82	3,91,380	4.28
2001 to 3000	80	0.56	2,03,274	2.22
3001 to 4000	36	0.25	1,31,930	1.44
4001 to 5000	29	0.20	1,33,688	1.46
5001 to 10000	50	0.35	3,60,064	3.93
10001 and above	39	0.27	60,32,812	65.93
TOTAL	14,387	100.00	91,51,052	100.00

Distribution of equity shares by categories and shareholders

Category	No. of Shareholders	No. of Shares held	% of Shareholding
Promoters, Directors, their relatives & Associates	14	51,68,240	56.4770
Mutual Funds / UTI	1	550	0.0060
Financial Institutions / Banks	11	1,055	0.0115
Bodies Corporate	230	4,75,195	5.1928
Non-Resident Indians (NRI's)	47	20,486	0.2239
Resident Individuals	14,053	34,66,886	37.8851
Clearing Members	31	18,640	0.2037
TOTAL	14,387	91,51,052	100.0000

l) **Dematerialisation of shares and liquidity:**

As on March 31, 2007, 92.61% of the Company's paid-up capital representing 84,75,155 shares were held in dematerialized form as compared to 92.08% of the Company's paid-up capital representing 84,26,456 shares as on June 30, 2006.



m) **Outstanding GDRs/ADRs/Warrants or any convertible instruments:**

There are no outstanding convertible warrants/instruments.

n) **Plant Locations:**

Goa Plant :

St. Jose de Areal
Goa – 403 730



Bilaspur Plant :

34-40, Sector B, Sirgitti Industrial Area
Bilaspur – 495 004

Paradeep Plant :

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

o) Address for Correspondence:

(i) For correspondence/queries relating to shares

Correspondence/queries relating to transfer / dematerialisation of shares and all other matters relating to shares should be addressed to the Company's Registrars & Share Transfer Agents at the following address:

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West), Mumbai – 400 078
Ph.: (022) 2596 3838
Fax: (022) 2594 6969
Email: isrl@intimespectrum.com

(ii) For correspondence/queries relating to dividend

Correspondence/queries relating to dividend payment/revalidation on shares should be addressed to:

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

(iii) For registering investor complaints

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

B. NON-MANDATORY REQUIREMENTS

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

1. The Board:

Has a non-executive Chairman, and his office with required facilities is maintained at his own expense and is not provided and maintained by the Company.

No policy has been fixed on tenure of Independent Directors.

2. Remuneration Committee:

As stated earlier, the Board has already set up a Remuneration Committee consisting of only non-executive Directors. Details regarding composition and scope of the Remuneration Committee are provided elsewhere in this report.

3. **Shareholders Rights:**

The half-yearly financial results are not sent to the shareholders.

4. **Audit Qualifications:**

During the period under review, there were no audit qualifications in the financial statements. The Company continues to adopt best practice to ensure unqualified financial statements.

5. **Training of Board Members:**

Not yet adopted by the Company.

6. **Mechanism for evaluating non-executive Board Members:**

Not yet adopted by the Company.

7. **Whistle Blower Policy:**

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

CERTIFICATE

To the Members of Goa Carbon Limited

We have examined the compliance of conditions of Corporate Governance by Goa Carbon Limited, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further 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 **FRASER & ROSS**
Chartered Accountants

M. K. ANANTHANARAYANAN
Partner

Mumbai, Dated: June 14, 2007



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

We, S. Ramachandran, Executive Director and K. Balaraman, General Manager (Finance) of Goa Carbon Limited, ("company") hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement of the company for the 9 months period ended March 31, 2007 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the period, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

S. RAMACHANDRAN
Executive Director

K. BALARAMAN
General Manager (Finance)

Place: Panaji, Goa

Date : June 14, 2007

Auditor's Report to the Members of Goa Carbon Limited

1. We have audited the attached Balance sheet of Goa Carbon Limited, as at 31st March 2007, the Profit and Loss Account and the Cash Flow Statement for the nine months ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-Section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books.
 - iii. The Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 on the said date;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2007;
 - b) In the case of the Profit and Loss Account, of the profit for the nine months ended on that date; and
 - c) In the case of the Cash Flow Statement, of the Cash Flows for the nine months ended on that date.

For FRASER & ROSS
Chartered Accountants

Place: Mumbai
Date : June 14, 2007

M. K. ANANTHANARAYANAN
Partner
Membership No. 19521



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

1. In respect of fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Physical verification of Fixed Assets has been carried out in a phased manner as determined by the management. The programme of verification is reasonable considering the nature of assets and size of the Company and no material discrepancies were noticed on such verification.
 - c) The fixed assets disposed off during the year, in our opinion do not constitute a substantial part of the fixed assets of the Company and such disposals has, in our opinion not affected the going concern status of the Company.
2. In respect of its inventories:
 - a) Inventories were physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable. The physical verification of raw materials and finished goods was carried out on technical measurement basis.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory. The discrepancies noticed on verification, between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
3.
 - a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under the section 301 of the Companies Act, 1956.
 - b) During the current period, the Company has taken loans from two Companies covered in the Register maintained under Section 301 of the Companies Act, 1956 which have been repaid during the year. In our opinion, the rate of interest and other terms and conditions on which these loans have been taken are not prima facie prejudicial to the interest of the Company. The maximum amount involved during the year in respect of these loans was Rs. 140.00 lacs.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5.
 - a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered in the Register required to be maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us the Central Government has not prescribed the maintenance of the Cost Records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of the Companies product.

9. Statutory and Other Dues:

- a) According to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues applicable to it with the appropriate authorities during the year.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues were in arrears, as at 31st March, 2007 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of Sales Tax, Wealth tax, Customs Duty, Service tax, Excise Duty and Cess that have not been deposited on account of any dispute except for the dues referred to in Note No.B(1) of Schedule 16.
10. As at the end of the current financial period the company does not have accumulated losses and has not incurred cash loss during the current financial period and in the immediately preceding financial year.
 11. According to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
 12. According to the information and explanations given to us and based on our examination of documents and records, we are of the opinion that no loans or advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 16. According to the information and explanations given to us, in our opinion, the Company has not availed any term loan during the year.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
 18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised any money by public issues during the year.
 21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For FRASER & ROSS
Chartered Accountants

Place : Mumbai
Date : June 14, 2007

M. K. ANANTHANARAYANAN
Partner
Membership No. 19521



BALANCE SHEET AS AT 31ST MARCH, 2007

Rupees in lacs

	Schedule	As at 31-3-2007	As at 30-6-2006
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	915.11	915.11
Reserves and Surplus	2	3,912.01	3,787.46
		4,827.12	4,702.57
LOAN FUNDS	3		
Secured Loans		11,172.04	13,831.39
Unsecured Loans		140.00	—
TOTAL		16,139.16	18,533.96
APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		5,082.39	5,013.89
Less: Depreciation		2,177.81	1,997.66
Net Block		2,904.58	3,016.23
Capital work-in-progress		89.23	19.31
		2,993.81	3,035.54
INVESTMENTS	5	4.05	4.05
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	7,482.84	10,161.85
Sundry Debtors	7	2,847.70	4,089.65
Cash and Bank Balances	8	4,358.99	3,483.72
Loans and Advances	9	2,069.56	3,363.66
		16,759.09	21,098.88
Less: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	10	3,386.95	5,393.13
Provisions	11	230.84	211.38
		3,617.79	5,604.51
NET CURRENT ASSETS		13,141.30	15,494.37
TOTAL		16,139.16	18,533.96
Accounting Policies & Notes to the Accounts	16		

As per our Report of even date attached hereto

For FRASER & ROSS

Chartered Accountants

M. K. ANANTHANARAYANAN

Partner

Membership No. 19521

K. BALARAMAN
General Manager – Finance

P. S. MANTRI
Company Secretary

For and on behalf of the Board of Directors

SHRINIVAS V. DEMPO

Chairman

S. RAMACHANDRAN

Executive Director

Mumbai, Dated: 14th June, 2007



PROFIT & LOSS ACCOUNT FOR THE NINE MONTHS ENDED 31ST MARCH, 2007

Rupees in lacs

	Schedule	9 Months ended 31-3-2007	12 Months ended 30-6-2006
INCOME			
Sales		20,596.42	25,061.47
Less: Excise duty		2,078.21	2,054.19
		18,518.21	23,007.28
Other Income	12	499.60	343.76
		19,017.81	23,351.04
EXPENDITURE			
Raw Material Consumed	13	13,819.93	17,127.19
Decrease in Stock of Finished Goods		651.55	36.45
Finished Goods Purchases		1,322.41	555.56
Manufacturing and other expenses	14	1,959.23	3,881.85
Finance Charges	15	749.36	1,144.51
Depreciation		183.68	248.55
		18,686.16	22,994.11
PROFIT BEFORE TAX		331.65	356.93
Less: PROVISION FOR TAX			
Current Tax		39.95	40.00
Deferred Tax		—	(100.29)
Fringe Benefit Tax		6.55	11.28
		46.50	(49.01)
PROFIT AFTER TAX		285.15	405.94
Add: Balance brought forward from previous year		131.07	109.65
Less: Accumulated loss of erstwhile Paradeep Carbons Limited as on 30-6-2005		—	178.00
		131.07	(68.35)
PROFIT AVAILABLE FOR APPROPRIATION		416.22	337.59
Less: Appropriations			
General Reserve		100.00	50.00
Proposed Dividend		137.27	137.27
Corporate Tax on Dividend		23.33	19.25
		260.60	206.52
Surplus carried to Schedule 2		155.62	131.07
Earnings (Basic and diluted) per share (face value of Rs. 10/- each) (in Rupees) * Not annualised		3.12*	6.14
Accounting policies & Notes to the Accounts	16		

Figures for the current period relates to 9 months ended 31st March 2007, while the figures for the previous year relates to 12 months ended 30th June 2006 and hence are not comparable.

As per our Report of even date attached hereto

For and on behalf of the Board of Directors

For FRASER & ROSS

Chartered Accountants

SHRINIVAS V. DEMPO

Chairman

M. K. ANANTHANARAYANAN

Partner

Membership No. 19521

K. BALARAMAN

General Manager – Finance

S. RAMACHANDRAN

Executive Director

P. S. MANTRI

Company Secretary

Mumbai, Dated: 14th June, 2007



CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 31ST MARCH, 2007

Rupees in lacs

	9 Months ended 31-3-2007		12 Months ended 30-6-2006	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		331.65		356.93
Adjustments for:				
Depreciation	183.68		248.55	
Finance charges	749.36		1,144.51	
Loss on assets sold/scrapped	0.27		2.65	
Bad debts written off	14.88		49.14	
Profit on sale of assets	(0.24)		(0.96)	
Interest income	(101.08)		(127.25)	
Rent income	(0.81)		(1.08)	
Sundry credit balances written back	(40.13)		(77.22)	
Unrealised Exchange (Gain)/Loss (net)	(130.34)		312.40	
Dividend income	(1.15)	674.44	(1.15)	1,549.59
Operating Profit before working capital changes		1,006.09		1,906.52
Adjustments for:				
(Increase)/Decrease in inventories	2,679.01		(3,196.87)	
(Increase)/Decrease in trade & other receivables	2,474.81		(2,888.07)	
Increase/(Decrease) in Current Liabilities	(1,939.12)	3,214.70	2,401.39	(3,683.55)
Cash flow from operations		4,220.79		(1,777.03)
Direct taxes (net)		(31.12)		(28.47)
Net cash inflow/(outflow) from operating activities		4,189.67		(1,805.50)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(145.79)		(114.58)	
Sale of fixed assets	3.86		8.28	
Interest income	97.32		167.70	
Rent income	0.81		1.08	
Dividend income	1.15		1.15	
Net cash used in investing activities		(42.65)		63.63



CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 31ST MARCH, 2007
(Contd.)

Rupees in lacs

	9 Months ended 31-3-2007	12 Months ended 30-6-2006
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Rights issue of Equity Shares	–	3,640.84
Expenses pertaining to Rights issue of Equity Shares	–	(54.72)
Proceeds/(Repayment) from short term borrowings from Banks (Net)	(1,965.93)	3,015.37
Proceeds from unsecured borrowings	207.71	–
Repayment of long term borrowings from Banks	(563.09)	(1,013.45)
Repayment of unsecured borrowings	(67.70)	(1,732.32)
Finance charges paid	(776.59)	(1,147.17)
Dividends paid	(136.97)	(25.01)
Corporate tax on dividend paid	(19.25)	(3.23)
Net cash flow from financing activities	(3,321.81)	2,680.31
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	825.20	938.44
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,042.99	88.84
CASH AND CASH EQUIVALENTS OF THE AMALGAMATING COMPANY AT THE BEGINNING OF THE PERIOD	–	1,042.99
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE PERIOD	1,868.19	1,042.99

Note: Cash and Cash Equivalents represent Cash and Bank balances in current accounts and deposits maturing within a period of 3 months, other than those pledged with banks as security for facilities availed.

As per our Report of even date attached hereto

For and on behalf of the Board of Directors

For FRASER & ROSS
Chartered Accountants

SHRINIVAS V. DEMPO
Chairman

M. K. ANANTHANARAYANAN
Partner
Membership No. 19521

K. BALARAMAN
General Manager – Finance

S. RAMACHANDRAN
Executive Director

P. S. MANTRI
Company Secretary

Mumbai, Dated: 14th June, 2007



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 1 : SHARE CAPITAL

Rupees in lacs

	As at 31-3-2007	As at 30-6-2006
Authorised		
2,20,00,000 Equity Shares of Rs. 10/- each	2,200.00	2,200.00
3,00,000 Preference Shares of Rs. 100/- each	300.00	300.00
	2,500.00	2,500.00
Issued and Subscribed		
91,51,052 (91,51,052) Equity Shares of Rs. 10/- each fully paid-up	915.11	915.11
Of the above shares: 34,50,000 shares were allotted by way of Bonus Shares by Capitalisation of Capital Redemption Reserve and General Reserve		

SCHEDULE 2 : RESERVES AND SURPLUS

	As at 31-3-2007	As at 30-6-2006
Amalgamation Reserve	475.38	475.38
Securities Premium Account (as per last Balance Sheet)	3,131.01	3,185.73
Less: Share Issue Expenses	—	54.72
	3,131.01	3,131.01
General Reserve		
As per last Balance Sheet	50.00	1,790.93
Less: Accumulated loss of erstwhile Subsidiary Paradeep Carbons Ltd. as on 30-6-2005	—	1,790.93
	50.00	—
Add: Transfer from Profit & Loss Account	100.00	50.00
Surplus as per Profit & Loss Account	155.62	131.07
	3,912.01	3,787.46

SCHEDULE 3 : LOAN FUNDS

	As at 31-3-2007	As at 30-6-2006
SECURED LOANS		
Term Loans		
Rupee Loan	—	0.01
Dual Currency Swing Loan	—	563.08
Working capital advances from banks (Secured by hypothecation of all tangible movable assets, raw materials, finished goods, stores, spare parts and book debts and pledge of fixed deposit receipts)	11,172.04	13,268.30
	11,172.04	13,831.39
[Term loans include Rs. Nil (Rs. 173.67 lacs) repayable within one year]		
UNSECURED LOANS		
Short term deposits from a body corporate	140.00	—
	140.00	—

SCHEDULE 4 : FIXED ASSETS

Rupees in lacs

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 30-6-2006	Additions	Deductions	As at 31-3-2007	Upto 30-6-2006	For the period	Deductions	Upto 31-3-2007	As at 31-3-2007	As at 30-6-2006
Land (Freehold)	13.58	–	–	13.58	–	–	–	–	13.58	13.58
Land (Leasehold)	100.83	–	–	100.83	10.67	1.06	–	11.73	89.10	90.16
Land (Leasehold) – Plot Development	101.95	–	–	101.95	15.80	7.68	–	23.48	78.47	86.15
Buildings	1,349.14	24.55	–	1,373.69	447.61	35.01	–	482.62	891.07	901.53
Plant and Machinery	2,941.21	21.85	–	2,963.06	1,255.33	110.68	–	1,366.01	1,597.05	1,685.88
Laboratory Equipments	72.96	2.83	–	75.79	39.96	2.23	–	42.19	33.60	33.00
Elect. Fittings & Equipments	183.11	4.04	–	187.15	86.89	6.48	–	93.37	93.78	96.22
Furniture, Office Equipments and Computers	166.18	20.17	0.67	185.68	112.26	11.67	0.38	123.55	62.13	53.92
Vehicles	84.93	2.43	6.70	80.66	29.14	8.87	3.15	34.86	45.80	55.79
TOTAL	5,013.89	75.87	7.37	5,082.39	1,997.66	183.68	3.53	2,177.81	2,904.58	3,016.23
Capital Work-in-progress at cost (including advances)										
									89.23	19.31
									2,993.81	3,035.54
Previous Year Total	1,928.13	129.15 @2994.92	38.31	5,013.89	1,203.19	248.55 574.26@	28.34	1,997.66	3,016.23	724.94

Note: Buildings include residential flats costing Rs. 12.98 lacs (Previous year Rs. 12.98 lacs) in respect of which registration in the name of the Company is pending.
@ Taken over on amalgamation.




SCHEDULE 5 : INVESTMENTS (Long-term)

Rupees in lacs

	As at 31-3-2007	As at 30-6-2006
Quoted (Non Trade)		
13,500 (13,500) Fully paid up Equity Shares of Rs. 10/- each in ICICI Bank Limited	4.05	4.05
Market Value	115.17	79.55

SCHEDULE 6 : INVENTORIES

	As at 31-3-2007	As at 30-6-2006
Raw Materials [Including in-transit Rs. 1138.14 lacs (Rs. 1054.84 lacs)]	5,155.23	7,159.59
Finished Goods [Including in-transit Rs. Nil (Rs. 46.21 lacs)]	2,149.04	2,846.79
Stores & Spares	178.57	155.47
	7,482.84	10,161.85

SCHEDULE 7 : SUNDRY DEBTORS (Unsecured)

	As at 31-3-2007	As at 30-6-2006
Outstanding for a period exceeding six months		
Considered good	32.87	33.33
Considered doubtful	7.81	7.81
	40.68	41.14
Other Debts		
Considered good	2,814.83	4,056.32
	2,855.51	4,097.46
Less: Provision for Doubtful Debts	7.81	7.81
	2,847.70	4,089.65


SCHEDULE 8 : CASH AND BANK BALANCES

Rupees in lacs

	As at 31-3-2007	As at 30-6-2006
Cash on hand	2.35	3.45
Balances with Scheduled Banks:		
On Current Accounts	1,565.84	439.54
On Unpaid Dividend Accounts	16.22	15.92
On Deposits Accounts (Fixed deposit receipts for Rs. 2474.58 lacs (Rs. 2424.81 lacs) are pledged with the Banks as security for facilities availed from them)	2,774.58	3,024.81
	4,358.99	3,483.72

SCHEDULE 9 : LOANS & ADVANCES (Unsecured, Considered good unless otherwise stated)

	As at 31-3-2007	As at 30-6-2006
Advances recoverable in cash or in kind or for value to be received		
Considered good	2,055.61	3,353.47
Considered doubtful	2.34	2.34
	2,057.95	3,355.81
Less: Provision for doubtful advances	2.34	2.34
	2,055.61	3,353.47
Interest accrued on Deposits	13.93	10.17
Balance with Customs & Excise authorities	0.02	0.02
	2,069.56	3,363.66

SCHEDULE 10 : CURRENT LIABILITIES

	As at 31-3-2007	As at 30-6-2006
Sundry Creditors:		
Due to small scale industrial undertakings	–	–
Due to Micro, Small and Medium Enterprises	–	–
Due to others	3,004.74	5,119.54
	3,004.74	5,119.54
Gratuity & Leave encashment liability	92.63	88.77
Interest accrued but not due on loans	52.78	80.01
Unpaid Dividend (Represents dividend warrants issued but remained unrepresented to the banks and there is no amount due and outstanding to be credited to Investor Education and Protection Fund)	16.22	15.92
Other Liabilities	220.58	88.89
	3,386.95	5,393.13



SCHEDULE 11 : PROVISIONS

Rupees in lacs

	As at 31-3-2007	As at 30-6-2006
Income Tax, including Fringe benefit tax (net of Advance payment of Income tax and Tax deducted at source)	70.24	54.86
Proposed Dividend	137.27	137.27
Corporate Tax on Dividend	23.33	19.25
	230.84	211.38

SCHEDULES TO THE PROFIT & LOSS ACCOUNT

SCHEDULE 12 : OTHER INCOME

	9 Months ended 31-3-2007	12 Months ended 30-6-2006
Interest (Gross)		
* From Banks	100.76	127.14
From Others	0.32	0.11
* [Tax deducted at source Rs. 24.24 lacs (Rs. 35.50 lacs)]		
	101.08	127.25
Rent Income	0.81	1.08
Dividend from Non-trade Investments	1.15	1.15
Miscellaneous Receipts (Gross)	23.35	50.81
[Tax deducted at source Rs. Nil (Rs. 0.56 lac)]		
Sundry Credit balances written back	40.13	77.22
Exchange gain (net)	308.64	–
Profit on Sale of Raw Materials	24.20	85.29
Profit on Sale of Assets	0.24	0.96
	499.60	343.76

SCHEDULE 13 : RAW MATERIALS CONSUMED

	9 Months ended 31-3-2007	12 Months ended 30-6-2006
Opening Stock	6,104.75	2,133.78
Add: Taken over on Amalgamation	–	916.78
Add: Purchases	11,822.86	20,329.34
	17,927.61	23,379.90
Less: Cost of Raw material sold	90.59	147.96
	17,837.02	23,231.94
Less: Closing Stock	4,017.09	6,104.75
Raw material consumed	13,819.93	17,127.19


SCHEDULE 14 : MANUFACTURING & OTHER EXPENSES

Rupees in lacs

	9 Months ended 31-3-2007		12 Months ended 30-6-2006	
Salaries, Wages & Bonus		421.88		491.41
Contribution to Provident Fund, Superannuation Fund, Gratuity, Family Pension Fund and ESI		47.87		92.52
Staff Welfare Expenses		58.65		71.08
Excise duty on Stock differential (Refer Note: B 12)		(116.96)		3.53
Fuel, Power and Water		239.84		393.86
Repairs & Maintenance:				
Plant & Machinery	115.32		168.60	
Buildings	19.52		38.52	
Others	23.90	158.74	21.42	228.54
Packing & Forwarding		675.22		1,149.50
Selling & Distribution expenses		33.83		41.48
Rent		74.32		84.63
Rates & Taxes		1.76		88.31
Travelling Expenses		94.02		122.61
Insurance		49.06		42.44
Loss on assets sold/scrapped		0.27		2.65
Bad debts written off		14.88		49.14
Auditors' Remuneration:				
Audit fees	4.25		4.25	
Tax Audit	1.06		1.00	
Certification & other matters	0.50		1.25	
Expenses	1.17	6.98	1.12	7.62
Directors' sitting fees		3.45		4.21
Exchange variation (net)		–		715.40
Miscellaneous expenses		195.42		292.92
		1,959.23		3,881.85

SCHEDULE 15 : FINANCE CHARGES

	9 Months ended 31-3-2007		12 Months ended 30-6-2006	
Interest on term loans		2.84		116.93
Interest on working capital borrowings/unsecured loans		591.68		835.64
Bank charges and commission		154.84		191.94
		749.36		1,144.51



SCHEDULE 16 : ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS FOR THE NINE MONTHS ENDED 31st MARCH, 2007

A. Significant Accounting Policies:

(1) System of Accounting:

Financial statements are prepared on historical cost convention based on accrual basis of accounting and applicable Accounting Standards.

(2) Fixed Assets :

(i) Fixed Assets are stated at cost less depreciation.

(ii) Depreciation is provided as follows:

(a) In respect of Goa and Bilaspur units: On all assets other than leasehold land on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

(b) In respect of Paradeep unit at Orissa: On all assets other than leasehold land on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

(c) Cost of Construction of Stockyard on land licenced to the company is amortised over the estimated period of utility.

(d) Cost of leasehold land is amortised over the period of lease.

(3) Impairment of Assets:

At each balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole, to determine the value of impairment.

(4) Investments:

Long term investments are stated at cost and provision for diminution is made if such diminution is other than temporary in nature.

(5) Inventories:

Inventories are valued at the lower of cost (net of cenvat where applicable) and 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. In respect of stores and spares, cost is determined on First-in First-out basis. In the case of finished goods, cost includes appropriate production overheads and excise duty.

(6) Revenue Recognition:

Revenue from sales is recognised on despatch of goods and includes excise duty where applicable.

(7) Retirement Benefits:

Liability in respect of Gratuity to the employees is determined on the basis of actuarial valuation at the Balance Sheet date by an Independent Actuary is funded with the Life Insurance Corporation of India and contribution paid/payable thereof is absorbed in the accounts. Contributions to Provident Fund, Superannuation and Pension Fund are charged to Profit and Loss account. Liability to leave encashment is computed on actual basis based on Company Policy and provided for.

(8) Foreign Currency Transactions:

(i) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. The monetary assets and liabilities outstanding at the year end are translated at the rate of exchange prevailing at the year end and profit or loss other than that relating to fixed assets acquired from outside India is recognised in the Profit and Loss Account.

(ii) The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit & loss in the reporting period in which the exchange rate changes.

SCHEDULE 16 (Contd.)

(9) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. All other borrowing costs are charged to revenue.

(10) Income Tax:

Current tax is determined in accordance with Income Tax Act, 1961 on the income for the period chargeable to tax. Deferred tax is recognised on all timing differences subject to consideration of prudence.

(11) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. 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 not recognised in the financial statements since this may result in the recognition of income that may never be realised.

B. Notes forming part of Accounts:

1. No provision is considered necessary for disputed Income-tax demands and interest thereon as given below:

Nature of dues	As at 31-3-2007 Rs. in lacs	As at 30-6-2006 Rs. in lacs	Period to which the amount relates	Disputes pending with
Income-tax demand	1,512.53	1,458.59	AY 1990-91, 1993-94, 1994-95, 1997-98 to 2001-02 and 2003-04	Bombay High Court/Tribunal/ Commissioner of Income-tax
The above demands mainly relate to disallowance of claim of the Company for deduction under section 80 HHC of the Income Tax Act, 1961. The Company has been advised by its tax counsel that it has a fairly good case to get the favorable orders from Bombay High Court/Appellate Authorities. The amount of Rs. 1410.64 lacs (Rs.1103.20 lacs) paid against the above demand is included under Advances.				

2. Contingent Liabilities not provided for:

	As at 31-3-2007	As at 30-6-2006
a) Demand raised by Collector of Stamps, Bilaspur towards stamp duty arising on amalgamation of Viswalakshmi Petro Products Ltd.	32.24	32.24
b) Customs duty payable in the event of non-fulfilment of export obligations	81.44	167.01
c) Estimated amount of contract remaining to be executed on capital account but not provided for	8.40	Nil
d) The wage agreement in respect of Unionised employees of Goa Unit has expired on 31-12-2006 and the revision is under negotiation. Pending final settlement/quantification, no provision has been made in the accounts and the liability on account of these will be accounted on payment basis.		



SCHEDULE 16 (Contd.)

3. Disclosure in respect of Derivatives:

Rs. in lacs

	As at 31-3-2007	As at 30-6-2006
(a) Quantum of derivatives (all of which identified as hedges) outstanding Forward exchange contracts	1,952.93	1,340.25
(b) Foreign currency exposure not hedged by a derivative instrument or otherwise	6,036.14	14,507.01

4. Components of net Deferred Tax Asset/Liability:

Rs. in lacs

	As at 31-3-2007	As at 30-6-2006
i) Deferred tax liability arising on account of:		
Depreciation	339.60	350.30
Preliminary expenses	—	0.11
Bonus	—	0.05
	339.60	350.46
ii) Deferred tax asset arising on account of:		
Leave encashment	11.93	10.83
Gratuity	13.80	13.36
Amalgamation expenses	0.04	0.35
Ex-gratia	—	12.78
Bonus	0.34	—
* Unabsorbed depreciation and business loss	313.49	313.14
	339.60	350.46
Net Deferred Tax Asset/Liability	—	—

* The unabsorbed depreciation and business loss have given rise to deferred tax asset amounting to Rs. 741.03 lacs as at 31-3-2007. However, as a prudent policy the said deferred tax asset has been recognised only to the extent of the net deferred tax liability amounting to Rs. 313.49 lacs, resulting in Nil deferred tax asset/liability as at 31st March, 2007.

5. (a) Dues to small scale industrial undertakings of Rs. Nil
(Previous year Rs. Nil) is on the basis of such parties having been identified by the management and relied upon by the auditors.
- (b) Details relating to dues to Micro, Small and Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 on the basis of such parties having been identified by the management and relied upon by the auditors:
- (i) Dues outstanding for more than 45 days
 - (ii) Amount remaining unpaid as at the end of the year
 - principal amounts
 - interest amounts
 - (iii) the amount of interest paid in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during the year
 - (iv) the amount of interest due and payable for the period of delay in making payment
 - as per the terms of the contract
 - as specified by the act
 - (v) the amount of interest accrued and remaining unpaid at the end of the year

As at 31-3-2007
Nil
Nil
Nil
Nil
Nil
Nil
Nil

SCHEDULE 16 (Contd.)
6. Remuneration paid to the Managing Director/Executive Director:

	9 Months ended 31-3-2007 Rs. in lacs	12 Months ended 30-6-2006 Rs. in lacs
Salary, allowances & bonus	10.63	10.47
Contribution to Provident and other funds	1.67	2.04
Perquisites	2.47	1.91
	14.77	14.42

* Dr A. B. Prasad ceased to be Managing Director with effect from 30-11-2006 in accordance with the terms of appointment, and Mr. S. Ramachandran has been appointed as Executive Director with effect from 1-12-2006.

Computation of Net Profit under Section 349 of the Companies Act, 1956

	9 Months ended 31-3-2007		12 Months ended 30-6-2006	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Profit before tax for the period		331.65		356.93
Add: Directors sitting fees	3.45		4.21	
Managerial Remuneration	14.77		14.42	
Loss on sale of assets	0.27		2.65	
		18.49		21.28
		350.14		378.21
Less: Profit on sale of assets		0.24		0.96
		349.90		377.25
Overall Limit of 5% of Net profit as per Section 349		17.49		37.73
Remuneration paid		14.77		14.42

- Figures in the Profit & Loss Account for the current period relate to 9 months as against previous year's figures which relate to 12 months and hence are not comparable.
- Previous year's figures have been regrouped wherever necessary to conform to the classification for the current period.
- Additional information pursuant to the provisions of paragraph 3, 4C, and 4D of Part II of Schedule VI to the Companies Act, 1956.

a. Particulars of installed capacity, production, stocks and turnover of Calcined Petroleum Coke	9 Months ended 31-3-2007		12 Months ended 30-6-2006	
	Quantity MT	Rs. in lacs	Quantity MT	Rs. in lacs
Installed Capacity (being a technical matter, accepted by auditors as certified by management)	284,000 (per annum)		284,000 (per annum)	
Production	140,413		196,987	
Opening stock	24,785	2,846.79	11,901	1,126.08
Taken over on amalgamation	—	—	13,162	1,710.97
Purchases	11,009	1,322.41	4,548	555.56
Closing stock	18,306	2,149.04	24,785	2,846.79
Turnover	157,901	18,518.21	201,813	23,007.28



SCHEDULE 16 (Contd.)

Rs.in Lacs

b. (i) Raw material consumed	Quantity MT	9 Months ended 31-3-2007 Rs. in lacs	%	Quantity MT	12 Months ended 30-6-2006 Rs. in lacs	%
Imported	185,151	12,827.58	92.82	241,399	14,544.76	84.92
Indigenous	9,083	992.35	7.18	29,517	2,582.43	15.08
Total	194,234	13,819.93	100.00	270,916	17,127.19	100.00

b. (ii) Raw Petroleum Coke sold during the period 1,190 MT (2,639 MT) Rs. 114.79 lacs (Rs. 233.25 lacs)

c. Value of stores & spare parts consumed for repair jobs	9 Months ended 31-3-2007 Rs. in lacs	%	12 Months ended 30-6-2006 Rs. in lacs	%
Indigenous	129.01	100	96.69	100

	9 Months ended 31-3-2007	12 Months ended 30-06-2006
d. Value of imports on CIF basis		
Raw material	10,497.75	16,093.90
Finished goods	1,106.44	467.80
e. Earnings in foreign currency (FOB value of exports)	5,826.96	10,666.39
f. Expenditure in foreign currency		
Travelling	15.21	29.85
Interest	330.67	604.02
Analysis fee, subscriptions etc.	20.62	21.66

10. Disclosures in respect of Related Parties pursuant to Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India:

i) List of related parties:

Names of the related parties

V. S. Dempo & Co. Private Limited

Marmagao Shipping & Stevedoring Co. Pvt. Ltd.
Aparant Iron & Steel Pvt. Ltd.
Goa Paints & Allied Products Pvt. Ltd.
Dempo Mining Corp. Pvt. Ltd.
Dempo Brothers Pvt. Ltd.
Dempo Travels Pvt. Ltd.
Hindustan Foods Ltd.
Dempo Industries Pvt. Ltd.
Rio Investments Pvt. Ltd.
Dempo Shipbuilding & Engineering Pvt. Ltd.
Indo-Pacific Poly-fibers Pvt. Ltd.
Sindhudurg Mining Corporation Pvt. Ltd.
Jaico Investments Pvt. Ltd.
Troy Investments Pvt. Ltd.
Motown Investments Pvt. Ltd.
Devashri Real Estate Developers
Vasantrao Dempo Education and Research Foundation

Nature of relationship

Ownership, directly and indirectly of more than 50% of the voting power.

Common Key Management Personnel



Mr. Shrinivas V. Dempo (Chairman)
 Dr. A. B. Prasad (in capacity of Managing Director till 30-11-2006)
 Mr S. Ramachandran (in capacity of Executive Director from 1-12-2006) } Key Management Personnel

ii) Transactions with the related parties:

Rs. in lacs

	Enterprise having ownership of more than 50%	Enterprise with common Key Management Personnel	Key Management Personnel
Loans			
Taken during the period	140.00 (-)	67.69 (131.73)	
Repaid during the period	- (1,390.00)	67.69 (474.05)	
Interest Paid	0.14 (110.36)	2.74 (34.48)	
Sale of Assets		- (3.38)	
Purchase of goods		1,867.14 (1.42)	
Receiving of Services:			
Stevedoring and other related charges including reimbursements	146.64 (124.54)	274.63 (336.65)	
Rent	7.23 (5.99)		
Air travel Expenses		32.45 (36.18)	
Reimbursement of other expenses	1.08 (12.18)	4.14 (3.40)	
Reimbursement of salaries		4.54 (6.91)	
Others	- (1.00)	- (0.03)	
Rental income		0.81 (1.08)	
Donations		2.00 (3.00)	
Remuneration (including sitting fees)			15.10 (14.82)
Credit balances as at 31-3-2007	60.74 (12.64)	42.47 (14.01)	- -



11. Earnings per share:

	9 months ended 31-3-2007	12 months ended 30-6-2006
i) Profit after tax as per Profit & Loss Account (Rs. in lacs)	285.15	405.94
ii) Number of Equity shares * Weighted Average number of Equity Shares outstanding during the previous year	9,151,052	* 66,07,138
iii) Basic and diluted earnings per share of Rs.10/- each (in rupees) ** Not annualised	** 3.12	6.14

12. Total Excise duty on sales for the year has been disclosed as reduction from the Turnover. Excise duty related to the difference between the closing stock and the opening stock of Finished goods has been included in Schedule 14- "Manufacturing & Other expenses".

13. 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 issued by the Institute of Chartered Accountants of India.

Signatures to Schedules 1 to 16

As per our Report of even date attached hereto

For and on behalf of the Board of Directors

For FRASER & ROSS
Chartered Accountants

SHRINIVAS V. DEMPO
Chairman

M. K. ANANTHANARAYANAN
Partner

K. BALARAMAN
General Manager – Finance

S. RAMACHANDRAN
Executive Director

P. S. MANTRI
Company Secretary

Mumbai, Dated: 14th June, 2007



Additional information pursuant to the provisions of Part – IV of Schedule VI of Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile :

I. Registration Details :

Registration No.

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 State Code

2	4
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Balance Sheet Date

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II. Capital raised during the year (Amount in Rs. thousands)

Public Issue	Rights Issue																		
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						N	I	L											
						N	I	L											
Bonus Issue	Private Placement																		
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						N	I	L											
						N	I	L											

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	Total Assets																		
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		1	6	1	3	9	1	6											
		1	6	1	3	9	1	6											
Paid-up Capital	Reserves & Surplus																		
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			9	1	5	1	1												
		3	9	1	2	0	1												
Secured Loans	Unsecured Loans																		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td>1</td><td>1</td><td>1</td><td>7</td><td>2</td><td>0</td><td>4</td></tr></table>			1	1	1	7	2	0	4	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>1</td><td>4</td><td>0</td><td>0</td><td>0</td></tr></table>				1	4	0	0	0	
		1	1	1	7	2	0	4											
			1	4	0	0	0												
Net Fixed Assets	Investments																		
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		2	9	9	3	8	1												
					4	0	5												
Net Current Assets	Misc. Expenditure																		
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		1	3	1	4	1	3	0											
					N	I	L												
Accumulated Losses																			
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					N	I	L												

IV. Performance of Company (Amount in Rs. thousands)

Turnover (including other income)	Total Expenditure																		
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		1	9	0	1	7	8	1											
		1	8	6	8	6	1	6											
Profit Before Tax	Profit After Tax																		
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>3</td><td>3</td><td>1</td><td>6</td><td>5</td></tr></table>				3	3	1	6	5	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>2</td><td>8</td><td>5</td><td>1</td><td>5</td></tr></table>				2	8	5	1	5		
			3	3	1	6	5												
			2	8	5	1	5												
Earning per share in Rs.	Dividend Rate %																		
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			3	.	1	2													
						1	5												

V. Generic Names of Three Principal Products/Services of Company

Item Code No. (ITC Code)

		2	7	1	3	.	1	2
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Product description

C	A	L	C	I	N	E	D		P	E	T	R	O	L	E	U	M		C	O	K	E
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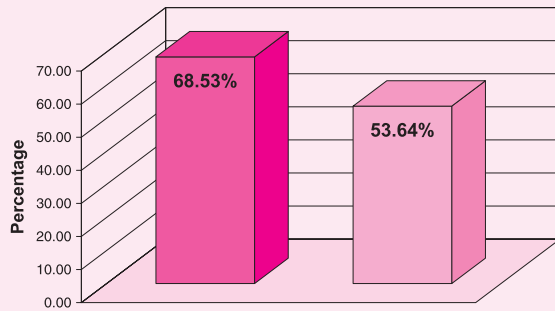


Key Financial Ratios

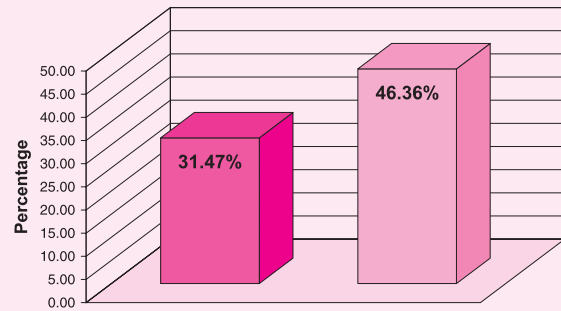
■ 9 months 1.7.2006 to 31.3.2007

■ 12 months 1.7.2005 to 30.6.2006

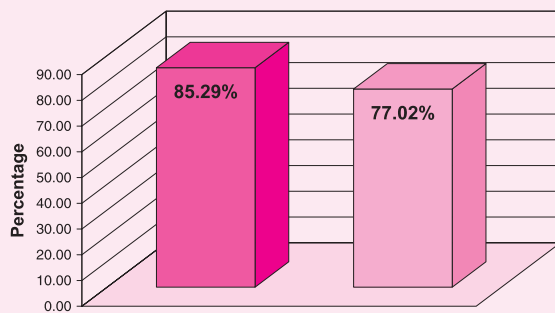
Domestic turnover to Sales



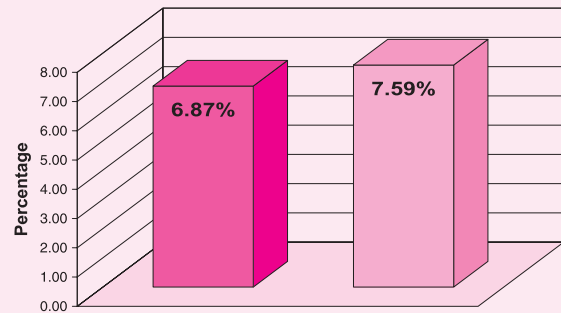
Export turnover to Sales



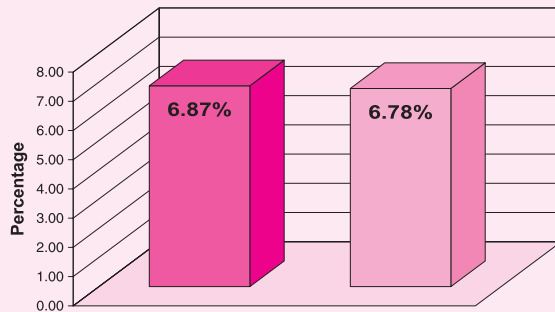
Raw Material Cost to Sales



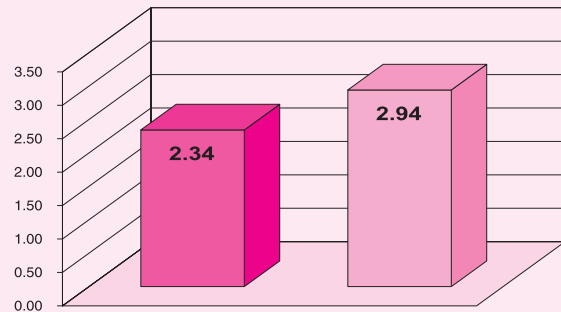
Return on net worth



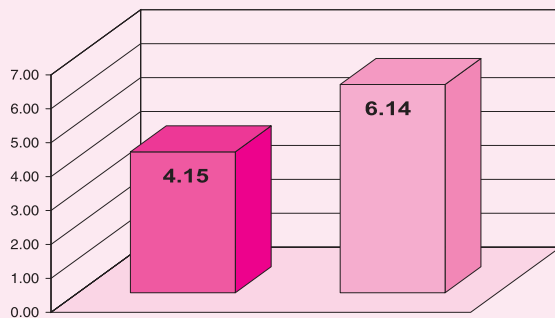
Return on Capital employed



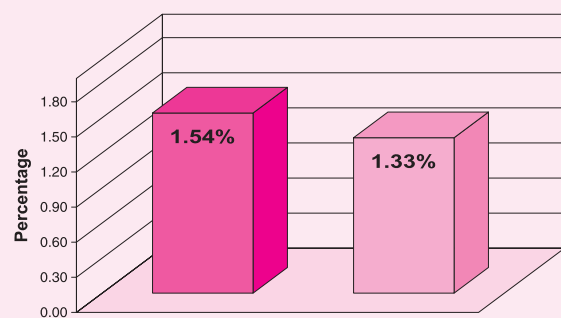
Debt-Equity Ratio



EPS (Annualised)



PAT margin



FEW SNAPSHOTS OF OUR PLANTS

