

# Goa Carbon Limited



Registered & Corporate Office:

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



Company Scrip Code / Symbol : 509567 / GOACARBON

ISIN Code: INE426D01013

Ref. No. 2018/X/

October 5, 2018

The General Manager, Department of Corporate Services <b>BSE Ltd.</b> , ....Thru' Listing Centre 25 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai – 400 001.	The Listing Department, <b>National Stock Exchange of India Ltd.</b> ,...Thru' NEAPS Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
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## Sub : Outcome of the Board of Directors Meeting

Dear Sir / Madam,

Further to our letter no. 2018/IX/258 dated September 24, 2018, we are furnishing herewith the Unaudited Financial Results for the quarterly period ended on September 30, 2018 duly considered, approved and taken on record by the Board of Directors in their meeting held on date together with a copy of the "Limited Review Report" for the quarter ended September 30, 2018 duly signed by the Auditors of the Company.

The Board Meeting commenced at 10.30 hours and ended at 12.15 hours on the same day.

The said results are being published in The Financial Express and Navprabha and the Navhind Times, Goa within stipulated time.

Kindly take note of the same.

Thanking you,

Yours faithfully,

**For GOA CARBON LIMITED**

**PRAVIN SATARDEKAR**

Company Secretary

M. No. ACS 24380

Encl : a.a.

### Plants :

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ISO 9001:2008

**BUREAU VERITAS**  
Certification



ISO 14001

**BUREAU VERITAS**  
Certification





**GOA CARBON LIMITED**

Registered Office: Dempo House, Campal, Panaji, Goa 403 001

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Website: www.goacarbon.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS**

**FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2018**

Particulars	Quarter ended Sept 30, 2018		Quarter ended Sept 30, 2017		Six months ended Sept 30, 2018		Six months ended Sept 30, 2017		Year ended March 31, 2018	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
<b>I. Revenue from operations:</b>										
(a) Sale of products (Net) (Ref note 7 and 8)	11,333.46	12,467.49	15,064.38	23,800.95	23,800.95	23,989.20	58,717.02			
(b) Other operating revenues	17.92	4.60	0.30	22.52	22.52	2.96	7.62			
	<b>11,351.38</b>	<b>12,472.09</b>	<b>15,064.68</b>	<b>23,823.47</b>	<b>23,823.47</b>	<b>23,992.16</b>	<b>58,724.64</b>			
<b>II. Other income (Net) (Ref note 9)</b>	85.08	54.85	106.20	139.93	139.93	266.55	874.14			
<b>III. Total Revenue (I+II)</b>	<b>11,436.46</b>	<b>12,526.94</b>	<b>15,170.88</b>	<b>23,963.40</b>	<b>23,963.40</b>	<b>24,258.71</b>	<b>59,598.78</b>			
<b>IV. Expenses:</b>										
(a) Cost of materials consumed	10,000.59	12,764.85	10,367.72	22,765.44	22,765.44	18,047.33	41,236.44			
(b) Changes in inventories of finished goods	(315.06)	(3,380.96)	1,569.47	(3,696.02)	(3,696.02)	(937.78)	247.85			
(c) Excise duty on sale of products (Ref note 8)						1,095.38	1,095.38			
(d) Employees benefits expenses	436.65	466.13	402.97	902.78	902.78	831.45	1,864.14			
(e) Finance costs (Net)	335.67	311.81	464.04	647.48	647.48	675.70	970.73			
(f) Depreciation and amortisation expenses	50.16	48.23	45.76	98.39	98.39	91.06	185.83			
(g) Other expenses	1,104.83	1,158.03	216.34	2,262.86	2,262.86	1,468.03	5,046.32			
<b>Total expenses (IV)</b>	<b>11,612.84</b>	<b>11,368.09</b>	<b>13,066.30</b>	<b>22,980.93</b>	<b>22,980.93</b>	<b>21,271.17</b>	<b>50,646.69</b>			
<b>V. Profit/(Loss) before tax (III-IV)</b>	<b>(176.38)</b>	<b>1,158.85</b>	<b>2,104.58</b>	<b>982.47</b>	<b>982.47</b>	<b>2,987.54</b>	<b>8,952.09</b>			
<b>VI. Tax expense:</b>										
(a) Current tax (Refer note 10)	(132.55)	427.36	732.31	294.81	294.81	1,059.40	3,586.81			
(b) Deferred tax	83.03	(13.32)	(4.16)	69.71	69.71	(23.04)	(19.57)			
<b>Profit/(Loss) for the period (V-VI)</b>	<b>(126.86)</b>	<b>744.81</b>	<b>1,376.43</b>	<b>617.95</b>	<b>617.95</b>	<b>1,951.18</b>	<b>5,384.85</b>			
<b>VIII. Other comprehensive income/(loss):</b>										
(i) Items that will not be reclassified to profit and loss:										
(a) Remeasurements of the defined benefit plans	(4.62)	(4.63)	(10.66)	(9.25)	(9.25)	(25.20)	(18.50)			
(b) Equity instruments through other comprehensive income	22.39	(2.19)	(10.06)	20.20	20.20	18.50	19.80			
(ii) Tax relating to items that will not be reclassified to profit and loss	1.61	1.62	3.69	3.23	3.23	8.72	6.41			
<b>Total comprehensive income / (loss) for the period (VII+VIII)</b>	<b>(107.48)</b>	<b>739.61</b>	<b>1,359.40</b>	<b>632.13</b>	<b>632.13</b>	<b>1,953.20</b>	<b>5,392.56</b>			
<b>X. Paid-up equity share capital (face value ₹10)</b>	915.11	915.11	915.11	915.11	915.11	915.11	915.11			
<b>XI. Earnings per equity share (in ₹) items (Basic and diluted)</b>	<b>(1.39)</b>	<b>8.14</b>	<b>15.04</b>	<b>6.75</b>	<b>6.75</b>	<b>21.32</b>	<b>58.84</b>			
* (not annualised)	*	*	*	*	*	*	*			

**Statement of Assets and Liabilities**

₹ in lacs

Particulars	As at	
	Sept. 30, 2018 Unaudited	March 31, 2018 Audited
<b>I. ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and equipment	2,744.18	2,384.82
(b) Capital work in progress	-	364.40
(c) Intangible assets	13.54	16.54
(d) Financial assets		
(i) Investments	226.87	206.67
(ii) Others	72.22	72.07
(e) Income tax assets (net)	1,140.11	1,126.88
(f) Other non-current assets	402.89	409.16
	<b>4,599.81</b>	<b>4,580.54</b>
(2) Current assets		
(a) Inventories	12,931.95	9,342.81
(b) Financial assets		
(i) Trade receivables	5,847.79	5,620.96
(ii) Cash and cash equivalents	45.77	4,710.27
(iii) Bank balances other than (ii) above	1,125.30	9,487.81
(iv) Others	478.88	1,30.56
(c) Current tax assets (net)	10.92	10.92
(d) Other current assets	1,893.78	1,664.80
	<b>22,334.39</b>	<b>30,968.13</b>
	<b>26,934.20</b>	<b>35,548.67</b>
<b>II. EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity share capital	915.11	915.11
(b) Other equity	11,153.35	11,624.43
	<b>12,068.46</b>	<b>12,539.54</b>
(2) Non-current liabilities		
(a) Deferred tax liabilities (net)	408.60	342.12
	<b>408.60</b>	<b>342.12</b>
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,029.32	19,487.65
(ii) Trade payables	10,562.58	1,412.63
(iii) Others	403.49	391.07
(b) Other current liabilities	1,135.96	1,338.25
(c) Provisions	325.79	37.41
	<b>14,457.14</b>	<b>22,667.01</b>
	<b>26,934.20</b>	<b>35,548.67</b>

**NOTES:**

- 1) The above unaudited financial results have been reviewed by the audit committee at their meeting held on Oct 4, 2018 and approved by the Board of Directors at their meeting held on Oct 5, 2018.
- 2) The statutory auditors of the Company have conducted a limited review of the above unaudited financial results for the quarter ended Sept 30, 2018.
- 3) Due to the absence of viable export and domestic orders, the Plants of the Company were shut down during the quarter as under:
  - i) Goa plant : 42 days, ii) Bilaspur plant : 92 days, and iii) Paradeep plant : 19 days.
- 4) The Company's operation and its results fluctuate from period to period on account of :
  - a) the delivery schedule of the customers which vary from time to time;
  - b) the inability of the Company to always increase selling prices in line with cost of imported raw material, the FOB price of which varies substantially from time to time; and
  - c) exchange fluctuations arising because of the Company's dependence on imports of raw materials.
- 5) The Company's appeal to the High Court of Bombay at Goa against the order of the Income Tax Appellate Tribunal which had confirmed the disallowance of the deduction under section 80HH of the Income Tax Act, 1961 for Assessment Years 1993-94 to 2004-05 was allowed by the High Court vide its order dated October 21, 2010. The income tax department has filed a Special Leave petition before the Honourable Supreme Court. The petition has been admitted and is pending for hearing. The amount of disputed tax and interest paid on this account is ₹ 901 lacs.
- 6) The Company operates only in one segment i.e. manufacture and sale of Calcined Petroleum Coke.
- 7) Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have any material impact to the financial results of the Company.
- 8) In accordance with the requirements of Ind AS, revenue for the period from April 1, 2018 to September 30, 2018 is net of Goods and Services Tax ('GST'). However, revenue for the period from April 1, 2017 to Jun 30, 2017 is inclusive of excise duty and that for the period from July 1, 2017 to March 31, 2018 is net of GST.
- 9) Other income for quarter ended Sept 30, 2017 includes foreign exchange loss of Rs 26.29 lacs.
- 10) Current tax expense for the year ended March 31, 2018 includes tax for earlier years amounting to ₹ 444.51 lacs.
- 11) The wholly owned subsidiary of the Company Viz. GCL Global Resources SGP Pte Limited, Singapore, was liquidated on March 9, 2018. During the previous year ended 31. March 2018, the Company received full and final payment of Rs 1,273.03 lacs from the liquidator. Accordingly, Other Income for the previous year ended March 31, 2018 included foreign exchange gain of ₹ 146.35 lacs arising on account of liquidation of investments of the wholly owned subsidiary.
- 12) The Hon'ble Supreme Court of India vide order dt. 26.07.2018 has banned the import of Petroleum Coke if used as fuel but allowed the import of Petroleum coke when used as Feedstock or in the manufacturing process on actual user basis only for the Cement, Lime Klin, Calcium Carbide and Gasification Industries. Consequently, the Ministry of Commerce & Industry vide Notification No. 25/2015-2020 dated 17th August 2018, has amended the import policy prohibiting the import of Petroleum Coke into India if used as a fuel.

The Company uses Petroleum Coke only as "Feedstock" for producing Calcined Petroleum Coke but as the Supreme Court order does not cover the Calcination Industry as those permissible to import, this will impact the ability of the Company to import Petroleum Coke which is essential for the production of the Calcined Petroleum Coke.

In view of the above, the Company has filed an application with the Hon'ble Supreme Court of India representing that being an indispensable subset, the Calcination Industry should be considered along with that of the Aluminum Industry for allowing the import and use of the petroleum coke in the manufacturing process as feedstock and has sought the necessary clarification on the order dated 26.07.2018. The Hon'ble Supreme Court of India, vide Order dated 23.08.2018 has allowed the implementation application filed by the Company and listed application for hearing on 09.10.2018 along with the Steel and Aluminum Industry.

The Company is confident that they have a good case on merits duly supported by a legal opinion. Further, the Board of Directors in their meeting held on October 5, 2018 have reviewed the Company's cash flow projections and concluded that the Company will be able to meet its obligations as they fall due for the next 12 months. The Company has also continuously been exploring avenues to denisk the Company through diversification. Hence, the financial results have been prepared on going concern basis.

**SHRINIVAS V. DEMPO**  
CHAIRMAN  
DIN / 00043413

Panaji, Goa: Oct 5, 2018

# BSR & Co. LLP

Chartered Accountants

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## Limited Review Report on Quarterly Financial Results of Goa Carbon Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of  
Goa Carbon Limited

We have reviewed the accompanying statement of unaudited financial results of Goa Carbon Limited for the quarter ended 30 September 2018 and the year-to-date results for the period from 1 April 2018 to 30 September 2018 attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw attention to note 12 in the statement of unaudited financial results regarding the availability of Petroleum Coke due to the amendment of import policy via notification no. 25/ 2015-2020 issued by the Ministry of Commerce & Industry Department of Commerce (Government of India). The ultimate outcome of this matter cannot be presently determined since it is pending before the Hon'ble Supreme Court of India. The Company has, as more fully explained in note 12, prepared the financial results on a going concern basis. Our conclusion is not modified in respect of this matter.

For BSR & Co. LLP  
Chartered Accountants

Firm's Registration Number: 101248W/ W- 100022



Swapnil Dakshindas  
Partner

Membership Number: 113896

Panaji  
5 October 2018