

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. 2020/VI/418

June 30, 2020

The General Manager, Department of Corporate Services BSE Ltd., ...Thru' Listing Centre 25 th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001.	The Listing Department, National Stock Exchange of India Ltd.,...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,

Further to our letter dated June 18, 2020 we wish to inform you that in the meeting of the Board of Directors of our Company held on date:

1. Audited Financial Results of the Company for the quarter and year ended March 31, 2020 were approved and taken on record, a copy of which is enclosed, together with Auditors' Report with unmodified opinion thereon, issued by the Statutory Auditors' of the Company.
2. A declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of Audit Report for the year ended March 31, 2020 is also enclosed.
3. The Board of Directors of the Company has not recommended any dividend in view of the loss for the year ended 31st March 2020.

The Board Meeting commenced at 15.00 hours on June 30, 2020 and ended at 17:35 hours on the same day.

Further, on account of the on-going pandemic of COVID-19, SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26, 2020 and Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020 has exempted publication of advertisements in newspapers, as required under Regulation 47 of the Listing Regulations for all the events scheduled till June 30, 2020. Accordingly, the extract of the Audited Financial Results for the quarter and year ended March 31, 2020 will not be published in the newspapers. The above Audited Financial Results for the quarter and year ended March 31, 2020 will, however, be available on the Company's website www.goacarbon.com.

Yours faithfully,

For GOA CARBON LIMITED


PRAVIN SATARDEKAR

Company Secretary

M. No. A24380

Encl : a.a.



Plants :

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ISO 9001:2015

BUREAU VERITAS
Certification



ISO 14001:2015

BUREAU VERITAS
Certification





GOA CARBON LIMITED

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

Corporate Identity Number – L23109GA1967PLC000076

Website: www.goacarbon.com

STATEMENT OF AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

₹ in lacs

Particulars	Quarter ended March 31, 2020	Quarter ended Dec 31, 2019	Quarter ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
	Audited (refer note no. 10)	Unaudited	Audited (refer note no. 10)	Audited	Audited
I. Revenue from operations:					
(a) Sale of products (net)	6,922.20	10,687.50	12,908.81	41,641.85	46,136.52
(b) Other operating revenues	3.85	8.20	19.76	19.58	42.28
	6,926.05	10,695.70	12,928.57	41,661.43	46,178.80
II. Other income (net) (refer note no. 8)	20.66	51.28	(87.24)	245.31	224.81
III. Total revenue (I+II)	6,946.71	10,746.98	12,841.33	41,906.74	46,403.61
IV. Expenses:					
(a) Cost of materials consumed	4,351.85	7,108.89	14,981.24	30,703.71	43,547.43
(b) Changes in inventories of finished goods	1,206.79	1,922.49	(2,754.06)	4,831.42	(4,023.39)
(c) Employee benefits expense	440.08	458.29	452.84	1,823.54	1,814.59
(d) Finance costs	239.91	309.27	271.50	1,376.67	1,161.86
(e) Depreciation and amortisation expenses	54.05	54.90	52.70	218.69	203.92
(f) Other expenses	1,119.75	1,305.00	1,148.53	5,790.44	4,782.29
Total expenses (IV)	7,412.43	11,158.84	14,152.75	44,744.47	47,486.70
V. Loss before tax (III-IV)	(465.72)	(411.86)	(1,311.42)	(2,837.73)	(1,083.09)
VI. Tax expense:					
(a) Current tax	11.59	-	(77.89)	11.59	13.22
(b) Deferred tax	6.61	-	(354.70)	(74.43)	(344.87)
VII. Loss for the period (V-VI)	(483.92)	(411.86)	(878.83)	(2,774.89)	(751.44)
VIII. Other comprehensive income:					
(i) Items that will not be reclassified to profit and loss:					
(a) Remeasurements of the defined benefit plans	(12.88)	(6.03)	(10.26)	(30.98)	(24.14)
(b) Equity instruments through other comprehensive income	(159.75)	78.11	28.92	(55.95)	89.66
(ii) Tax relating to items that will not be reclassified to profit and loss	22.70	(16.09)	3.58	10.83	8.43
IX. Total comprehensive loss for the period (VII+VIII)	(633.85)	(355.87)	(856.59)	(2,850.99)	(677.49)
X. Paid-up equity share capital (face value ₹10)	915.11	915.11	915.11	915.11	915.11
XI. Earnings per equity share (in ₹) items (Basic and diluted)	(5.29)	(4.50)	(9.60)	(30.32)	(8.21)
* (not annualised)	*	*	*		

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Statement of Assets and Liabilities

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₹ in lacs

Particulars	As at	
	31.03.2020	31.03.2019
	Audited	Audited
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	2,616.43	2,731.55
(b) Capital work in progress	18.00	-
(c) Intangible assets	8.00	10.55
(d) Financial assets		
(i) Investments	240.38	296.33
(ii) Loans	72.42	72.34
(e) Non-current tax assets (net)	1,253.20	1,247.03
(f) Other non-current assets	462.33	404.32
	4,670.76	4,762.12
(2) Current assets		
(a) Inventories	9,725.31	16,641.41
(b) Financial assets		
(i) Trade receivables	2,165.06	6,198.29
(ii) Cash and cash equivalents	683.07	44.52
(iii) Bank balances other than (ii) above	1,929.91	3,405.76
(iv) Others	476.03	31.68
(c) Other current assets	1,556.53	3,148.04
	16,535.91	29,469.70
TOTAL ASSETS	21,206.67	34,231.82
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	915.11	915.11
(b) Other equity	6,992.74	9,843.73
	7,907.85	10,758.84
(2) Non-current liabilities		
(a) Deferred tax liabilities (net)	-	85.26
	-	85.26
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	368.82	43.22
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises; and	61.78	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	11,813.74	21,428.00
(iii) Others	315.55	1,027.84
(b) Other current liabilities	702.74	855.62
(c) Provisions	36.19	33.04
	13,298.82	23,387.72
TOTAL EQUITY AND LIABILITIES	21,206.67	34,231.82

STATEMENT OF CASH FLOWS

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₹ in lacs

	Particulars	Year ended	Year ended
		March 31, 2020	March 31, 2019
		Audited	Audited
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Loss before tax	(2,837.73)	(1,083.09)
	Adjustments for:		
	Depreciation and amortisation expenses	218.69	203.92
	Finance cost	1,376.67	1,161.86
	Assets written off	4.51	9.41
	Bad debts written off	15.48	6.04
	Interest income	(183.52)	(153.46)
	Provision for doubtful debts made/(written back)	(36.72)	27.54
	Sundry credit balances written back	(20.35)	(16.99)
	Net gain on disposal of property, plant and equipment	(3.98)	(33.26)
	Exchange loss/(gain) - (net)	481.96	(608.50)
	Dividend income	(0.74)	(1.11)
		1,852.00	595.45
	Operating loss before working capital changes	(985.73)	(487.64)
	Changes in working capital		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Loans	(0.08)	(0.27)
	Other non-current assets	(3.43)	(0.13)
	Inventories	6,916.10	(7,298.60)
	Trade receivables	4,054.47	(610.91)
	Other current financial assets	(444.35)	98.88
	Other current assets	1,559.33	(1,507.38)
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	(10,014.08)	20,640.88
	Other current financial liabilities	(569.55)	631.94
	Other current liabilities	(152.88)	(482.63)
	Provisions	3.15	(4.37)
		1,348.68	11,467.41
	Cash generated from operating activities	362.95	10,979.77
	Income tax paid (net of refunds, if any)	(17.76)	(26.01)
	Net cash from operating activities (A)	345.19	10,953.76
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Acquisition of property, plant and equipment, intangibles and capital work-in-progress	(186.80)	(195.72)
	Proceeds from sale of property, plant and equipments	13.86	44.28
	Margin money and bank deposits realised/(placed) - net	1,467.92	5,902.76
	Interest received	183.52	343.96
	Dividend received	0.74	1.11
	Net cash from / (used in) investing activities (B)	1,479.24	6,096.39
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	(Repayment)/proceeds of current borrowings (net)	-	(19,483.42)
	Interest paid	(1,511.48)	(1,168.24)
	Dividends paid	-	(915.11)
	Dividend distribution tax paid	-	(188.10)
	Net cash from / (used in) financing activities (C)	(1,511.48)	(21,754.87)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	312.95	(4,704.72)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1.30	4,706.04
	Effect of exchange differences on restatement of foreign currency cash and cash	-	(0.02)
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD *	314.25	1.30

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STATEMENT OF CASH FLOWS (CONTINUED)

Reconciliation of Cash and cash equivalents with the Balance Sheet:

₹ in lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalent as per balance sheet	2,612.98	3,450.28
Less: Bank balances not considered as Cash and cash equivalents :		
Earmarked unpaid dividend account	(49.77)	(57.70)
Margin money deposits and security against borrowings (including interest accrued thereon)	(1,880.14)	(3,348.06)
Less: Bank overdraft balances, being part of cash management policy	(368.82)	(43.22)
Cash and cash equivalent as per statement of cash flows	314.25	1.30

* Comprises of	Year ended March 31, 2020	Year ended March 31, 2019
Cash on hand	0.69	1.31
Balances with banks in current accounts	35.78	43.21
Deposits with original maturity less than 3 months (including interest accrued thereon)	646.60	-
Cash credit, repayable on demand used for cash management purpose	(368.82)	(43.22)
Total	314.25	1.30

Reconciliation of liabilities arising from financing activities as required under amendment to IND AS 7:

Particulars		
Short-term borrowings as at beginning of the period	43.22	19,487.65
Less: Cash credit as at beginning of the period	(43.22)	(4.23)
Add: Cash inflows/ (outflows) [proceeds / (repayment) of current borrowings from Banks (net)]	-	(19,483.42)
Add: Cash credit as at end of the period	368.82	43.22
Short-term borrowings as at end of the period	368.82	43.22

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NOTES:

- 1) The above financial results have been reviewed by the audit committee at their meeting held on June 30, 2020 and approved by the Board of Directors at their meeting held on June 30, 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2) 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.
- 3) The Pandemic "COVID-19" spread has severely impacted business around the world including India. There has been severe disruption in regular business operations due to lock down and emergency measures taken by the Government. The Company has done a detailed assessment of the impact on the going concern, liquidity position and carrying value of assets like trade receivables, property, plant and equipment's and other financial assets. Based on this assessment, there are no adjustments required. Moreover, the Company has proactively commenced its production activities at all its major plants during April 2020 and started selling the finished products during April 2020 itself. Further apart from collections from sales, the Company also has fund-based facilities with Banks. Due to this, management believes that the Company has the ability to meet all its liability obligations as and when they fall due. The management has taken into consideration all the known impacts of COVID19 while preparation of these financial results and the Company will continue to monitor any material changes in future economic conditions.
- 4) Due to the absence of viable export and domestic orders, the plants of the Company were shut down during the quarter ended March 31, 2020 as under:
 - i) Goa Plant - 29 days ii) Bilaspur Plant - 66 days iii) Paradeep Plant - 56 days.
- 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 80HHC of the Income Tax Act, 1961 for Assessment Years 1993-94 to 2004-05 was allowed by the High Court vide its order dated 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 from April 1, 2019, the Company has adopted Ind AS 116 – Leases, using the modified retrospective method. The adoption of the standard did not have any material impact to the financial results of the Company.
- 8) Other income is net of foreign exchange loss for the quarter ended March 31, 2020 of ₹ 27.09 lacs (net) and for the quarter ended March 31, 2019 of ₹ 113.45 lacs (net).
- 9) Current tax expense includes tax for earlier years for the year ended March 31, 2020 ₹ 11.59 lacs and for the year ended March 31, 2019 ₹ 13.22 lacs.
- 10) The figures for the quarter ended March 31, 2020 and March 31, 2019 are balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures up to the 3rd quarter of the respective financial year.
- 11) Figures for the previous period(s) have been regrouped/reclassified as necessary to conform with the current period's classifications/disclosure.

For GOA CARBON LIMITED

SHRINIVAS V. DEMPO
CHAIRMAN
DIN: 00043413

Panaji, Goa: June 30, 2020

B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Goa Carbon Limited

Report on the Audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Goa Carbon Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Emphasis of Matter

We draw your attention to Note 03 to these financial results, which describes the Management's assessment of the impact of COVID -19 pandemic and the resultant lockdown on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial results including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment and the net realisable values of other assets. Based on information available as of this date, Management believes that no further adjustments are required to the financial results. However, in view of the highly uncertain economic environment, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these financial results.

Our opinion is not modified in respect of this matter.

Goa Carbon Limited
Independent Auditors' Report – 31 March 2020 (continued)

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.

B S R & Co. LLP

Goa Carbon Limited
Independent Auditors' Report – 31 March 2020 (continued)

Auditor's Responsibilities for the Audit of the Annual Financial Results (Continued)

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Place: Pune
Date: 30 June 2020

Swapnil Dakshindas
Partner
Membership No. 113896
UDIN: 20113896AAAACA6668

Goa Carbon Limited



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Corporate Identity Number - L23109GA1967PLC000076



Company Scrip Code / Symbol: 509567 / GOACARBON

ISIN Code: INE426D01013

Date: 30th June 2020

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

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

Sub.: Declaration in respect of Auditors Report with Unmodified Opinion

Ref.: Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Dear Sirs,

We hereby declare that the Statutory Auditors of the Company, M/s. B S R & Co. LLP, Chartered Accountants (Registration No. 101248WW-100022), have issued the Audit Report with Unmodified Opinion in respect of the Audited Financial Results for the year ended on 31st March 2020.

Kindly take the same on record.

Yours faithfully,
For Goa Carbon Limited

Pravin Satardekar
Company Secretary
ACS 24380



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