GOA CARBON LIMITED

Our Company was incorporated as "*Goa Carbon Limited*" on June 22, 1967, as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, for Union Territories of Goa, Daman and Diu, situated at Panaji - Goa ("**RoC**"). Our Company was granted a certificate of commencement of business by the RoC on May 30, 1968. For details of change in the address of the registered office our Company, see "*General Information*" on page 37.

Corporate Identity Number: L23109GA1967PLC000076
Registered and Corporate Office: Dempo House, Campal, Panaji, Goa – 403 001, India
Contact Person: Pravin Satardekar, Company Secretary and Compliance Officer
Telephone: +91 832 24 41300
E-mail: investorgrievances@goacarbon.com; **Website:** www.goacarbon.com

OUR PROMOTERS: SHRINIVAS VASUDEVA DEMPO AND V. S. DEMPO HOLDINGS PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GOA CARBON LIMITED ONLY

ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "RIGHTS EQUITY SHARES") OF GOA CARBON LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE ("ISSUE PRICE") FOR AN AMOUNT AGGREGATING UP TO ₹ 20,000 LAKHS*, ON A RIGHTS BASIS TO THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "*TERMS OF THE ISSUE*" ON PAGE 157.

**Assuming full subscription.*

WILFUL DEFAULTER AND FRAUDULENT BORROWERS

Neither our Company, our Promoters nor our Directors are categorised as wilful defaulters or fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter(s) or fraudulent borrower(s) issued by the Reserve Bank of India.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of "*Risk Factors*" on page 16.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approval from BSE and NSE for listing of the Rights Equity Shares proposed to be issued pursuant to this Issue *vide* their letters dated [●] and [●], respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Centrum Capital Limited Level 9, Centrum House C.S.T. Road, Vidyanagari Marg Kalina, Santacruz (East) Mumbai – 400 098, Maharashtra, India **Telephone:** +91 (22) 4215 9000 **Email:** goacarbon.rights@centrum.co.in **Investor grievance email:** igmbd@centrum.co.in **Contact person:** Sooraj Bhatia / Pooja Sanghvi **Website:** www.centrum.co.in	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai 400 083, Maharashtra, India **Telephone:** +91 810 811 4949 **E-mail id:** goacarbon.rights@linkintime.co.in **Investor grievance email:** goacarbon.rights@linkintime.co.in **Contact person:** Sumeet Deshpande **Website:** www.linkintime.co.in **SEBI registration number:** INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATIONS*	ISSUE CLOSES ON#
[●]	[●]	[●]

** Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

 # Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the Companies Act, 2013, SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the Depositories Act, and/ or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section/ chapters titled "Industry Overview", "Summary of Draft Letter of Offer", "Statement of Possible Special Tax Benefits", "Financial Information", "Outstanding Litigation and Defaults", "Terms of Issue" and "Restrictions on Purchases and Resales" on pages 54, 14, 50, 72, 147, 157and 183, respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
"Goa Carbon Limited" or "our Company" or "the Company" or "the Issuer" or "we" or "us" or "our"	Goa Carbon Limited, a public limited company incorporated in India under the Companies Act, 1956, having its registered office at Dempo House, Campal, Panaji, Goa – 403 001, India.

Company related terms

Term	Description
"Articles of Association", "Articles" or "AoA"	The articles of association of our Company, as amended from time to time.
"Auditor" or "Statutory Auditors"	The statutory auditors of our Company, namely, B S R & Co. LLP, Chartered Accountants.
"Audited Financial Statements"/ Audited Financial Information	The audited financial statements of our Company as at and for the year ended March 31, 2022 which comprises of the balance sheet as at March 31, 2022, the statement of profit and loss, including other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details, see "*Financial Information*" on page 72.
"Board of Directors" or "Board"	Board of directors of our Company or a duly constituted committee thereof. For details of the Board of Directors, see "*Our Management and Organisational Structure*" on page 68.
"Director(s)"	Any or all the directors on our Board, as may be appointed from time to time. For details of the Directors, see "*Our Management and Organisational Structure*" on page 68.
"Equity Shareholder"	A holder of Equity Shares of our Company, from time to time.
"Equity Shares"	The equity shares of our Company of face value of ₹ 10 each, unless otherwise specified in the context thereof.
"Executive Directors"	Executive director(s) of our Company, unless otherwise specified. For details of the Executive Directors, see "*Our Management and Organisational Structure*" on page 68.
"Independent Chartered Accountants"	The independent chartered accountants of our Company, namely, Shridhar & Associates, Chartered Accountants.
"Independent Director"	A non-executive and independent director of our Company as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management and Organisational Structure*" on page 68.
"Key Management Personnel/ KMP"	Key management/ managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in "Our Management – Our Key Management Personnel" on page 68.

Term	Description
"Materiality Threshold"	Materiality threshold adopted by our Company in relation to the for the purpose of litigation disclosures in this Draft Letter of Offer involving our Company, solely for the purpose of this Issue, i.e., ₹ 769.00 Lakhs (being 1% of the total income of our Company, in terms of the Audited Financial Statements as of March 31, 2022) or above.
"Memorandum of Association" or "MOA"	The memorandum of association of our Company, as amended from time to time.
"Non-Executive Director"	A Director, not being an Executive Director of our Company. For details of the Non-Executive Directors, see "*Our Management and Organisational Structure*" on page 68
"Promoters"	The promoters of our Company, namely, Shrinivas Vasudeva Dempo and V. S. Dempo Holdings Private Limited
"Promoter Group"	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.
"Registered Office" or "Registered and Corporate Office"	Registered office of our Company situated at Dempo House, Campal, Panaji, Goa – 403 001, India.
"Rights Issue Committee"	The committee of our Board constituted through the resolution dated September 29, 2022 for purposes of this Issue and incidental matters thereof, consisting Shrinivas Vasudeva Dempo, Kiran Dhingra and Anupam Misra
"Registrar of Companies" or "RoC Goa, Daman & Diu" or "RoC"	Registrar of Companies, for Union Territories of Goa, Daman and Diu, situated at Panaji – Goa
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act and the SEBI Listing Regulations.
"Unaudited Financial Results"	The unaudited financial results of our Company for the six months period ended September 30, 2022 in accordance with Regulation 33 of SEBI Listing Regulations, including the notes thereto.

Issue Related Terms

Term	Description
"Abridged Letter of Offer" or "ALOF"	Abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
"Additional Rights Equity Shares"	The Rights Equity Shares applied or allotted under this in addition to the Rights Entitlements.
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to this Issue.
"Allotment Account"	The account(s) opened with the Banker(s) to this Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
"Allotment Advice"	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
"Allotment Date"	Date on which the Allotment shall be made pursuant to this Issue.
"Allottee(s)"	Person(s) who shall be Allotted Rights Equity Shares pursuant to the Issue.
"Applicant(s)" or "Investor(s)"	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to this Issue in terms of this Draft Letter of Offer.
"Application"	Application made through submission of the Application Form or plain paper to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
"Application Form"	Unless the context otherwise requires, an application form (including plain paper application form or online application form available for submission of application though the website of the SCSBs (if made available by such SCSBs) under the

Term	Description
	ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
"Application Money"	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price for the Application
"Application Supported by Blocked Amount" or "ASBA"	The application (whether physical or electronic) used by an Applicant to make an application authorizing the SCSB to block the Application Money in their ASBA Account maintained with the SCSB.
"ASBA Account"	Account maintained with a SCSB and as specified in the Application Form or the plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper.
"Banker(s) to the Issue"	Collectively, the Allotment Account Bank(s) to the Issue, in this case being [●].
"Banker to the Issue Agreement"	Agreement dated [●], 2022, entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Banker to the Issue for receipt of the Application Money.
"Basis of Allotment"	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "*Terms of the Issue*" on page 157.
"Controlling Branches" or "Controlling Branches of the SCSBs"	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes updated from time to time and/ or such other website(s) of SEBI as may be prescribed by the SEBI from time to time.
"Demographic Details"	Details of investors including the Investor's address, name of the investor's father/ husband, investor status, occupation, and bank account details, where applicable.
"Designated Branches"	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, used by the investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time and/ or such other website(s) as may be prescribed by the SEBI or the Stock Exchange(s), from time to time.
"Designated Stock Exchange"	BSE Limited
"Depository(ies)"	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
"Draft Letter of Offer"/ "DLOF"	This draft letter of offer dated December 23, 2022, filed with SEBI, in accordance with the SEBI ICDR Regulations, for its observations.
Equity Shareholder(s)/ Shareholder(s)	The holders of Equity Shares of our Company.
"Eligible Equity Shareholders"	Equity Shareholders of our Company on the Record Date.
"Issue"/ "Rights Issue"	Issue of up to [●] Rights Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 20,000 Lakhs* on a rights basis to the existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] fully paid-up Equity Shares held by the existing Eligible Equity Shareholders on the Record Date. * *Assuming full subscription.*
"Issue Agreement"	Issue agreement dated December 23, 2022, between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to this Issue.
"Issue Closing Date"	[●]
"Issue Material"	This Draft Letter of Offer, the Letter of Offer / the Abridged Letter of Offer, the Application Form, and other applicable Issue material
"Issue Opening Date"	[●].
"Issue Period"	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance

Term	Description
	with the SEBI ICDR Regulations.
"Issue Price"	₹ [●] per Rights Equity Share.
"Issue Proceeds" / "Gross Proceeds"	Gross proceeds raised through this Issue.
"Issue Size"	The issue of up to [●] Rights Equity Shares aggregating to an amount up to ₹ 20,000 lakhs* * *Assuming full subscription.*
"Lead Manager"	Centrum Capital Limited
"Letter of Offer"/ "LOF"	The final letter of offer to be filed with the Stock Exchanges and SEBI after incorporating observations received from SEBI on this Draft Letter of Offer, including any addenda or corrigenda thereto.
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●] entered in between our Company and the Monitoring Agency.
"Multiple Application Forms"	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlements available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications.
"Net Proceeds"	Issue Proceeds less Issue related expenses. For details, see "*Objects of the Issue*" on page 44.
"On Market Renunciation"	The renunciation of Rights Entitlements undertaken by the investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circular and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●]
"Off Market Renunciation"	The renunciation of Rights Entitlements undertaken by the investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circular and the circulars issued by the Depositories, from time to time, and other applicable laws.
QIBs/Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Record Date"	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●].
"Refund Bank"	The Banker(s) to the Issue with whom the Refund Account will be opened, in this case being [●].
"Registrar to the Issue" or "Registrar"	Link Intime India Private Limited
"Registrar Agreement"	Agreement dated November 30, 2022, entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
"Renouncee(s)"	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI – Rights Issue Circular, the Companies Act and any other applicable law.
"Renunciation Period"	The period during which the investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
"Retail Individual Investor" / "RII"	An individual investor who has applied for Rights Equity Shares for an amount not more than ₹ 200,000 (including an HUF applying through karta) in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
"Rights Entitlements" / "REs"	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to his / her shareholding in our Company as on the Record Date, being [●] Rights Equity Share(s) for every [●] Equity Share(s) held by the Eligible

Term	Description
	Equity Shareholder on the Record Date. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
"Rights Entitlement Letter"	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
"Rights Equity Shareholders"	A holder of the Rights Equity Shares, from time to time.
"Rights Equity Shares"	Equity shares of our Company to be Allotted pursuant to this Issue on Allotment.
"Self-Certificate Syndicate Banks/ SCSB(s)"	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, and as updated from time to time.
"Stock Exchanges"	Stock exchanges where our Equity Shares are presently listed, being BSE and NSE.
"Transfer Date"	The date on which Application Money held in the ASBA Account will be transferred to the Allotment Account in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
"Wilful Defaulter"/ "Fraudulent Borrower"	An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Working Day(s)"	In terms of Regulation 2(1)(mmm) of the SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Business and Industry related Terms/ Abbreviations

Term /Abbreviation	Description / Full Form
GDP	Gross Domestic Product
IIP	Index of Industrial Production
NALCO	National Aluminium Company Limited
CPC	Calcined Petroleum Coke
CTP	Coal Tar Pitch
Y-o-Y	Year on Year
PMI Manufactures	Purchasing Managers' Index Manufactures

Conventional terms or abbreviations

Term /Abbreviation	Description / Full Form
"₹", "Rs.","Rupees" or "INR"	Indian Rupee.
"AIF(s)"	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
"ASBA Circulars"	Collectively, SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011.
"B2B"	Business-to-Business
"BSE"	BSE Limited.
"CAGR"	Compounded annual growth rate.
"CDSL"	Central Depository Services (India) Limited.
"Central Government",	Central Government of India.

Term /Abbreviation	Description / Full Form
"Government of India" or "GoI"	
"CIN"	Corporate identity number.
"Companies Act, 1956"	Erstwhile Companies Act, 1956 along with the rules made thereunder.
"Companies Act, 2013"or "Companies Act"	Companies Act, 2013 along with the rules made thereunder.
"Consolidated FDI Policy"	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and any modifications thereto or substitutions thereof, issued from time to time.
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
"CSR"	Corporate Social Responsibility.
"Depositories Act"	Depositories Act, 1996.
"Depository"	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
"Depository Participant" or "DP"	A participant as defined under the Depositories Act
"DIN"	Director identification number.
"DP ID"	Depository participant identification.
"DPIIT"	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, earlier known as Department of Industrial Policy and Promotion.
"EBITDA"	Earnings before Interest, Tax, Depreciation and Amortisation
"EGM"	Extraordinary general meeting
"EPS"	Earnings per share.
"ERP"	Enterprise Resource Planning
"FCNR Account"	Foreign Currency Non-Resident Account.
"FDI"	Foreign direct investment.
"FEMA"	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
"FEMA Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
"Financial Year" or "FY" or "Fiscal"	Period of 12 months ended March 31 of that particular year.
"Foreign Portfolio Investor" or "FPI"	Foreign Portfolio Investor as defined under the SEBI FPI Regulations, registered with SEBI under applicable laws in India.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"FVCIs"	Foreign venture capital investors as defined in and registered with the SEBI, under the SEBI FVCI Regulations.
"GAAP"	Generally accepted accounting principles
"GDP"	Gross domestic product.
"Government"	Central Government and/or the State Government, as applicable.
"IEPF"	Investor Education and Protection Fund
"IFRS"	International Financial Reporting Standards.
"India"	Republic of India.
"Indian GAAP"	Generally Accepted Accounting Principles followed in India.
"Ind AS"	Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
"ISIN"	International securities identification number.
"Income-tax Act"	Income-tax Act, 1961.
"Listing Agreement"	Equity listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations read along with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015.
"MCA"	The Ministry of Corporate Affairs, Government of India.
"Mutual Fund"	Mutual fund registered with SEBI under the Securities and Exchange Board of India

Term /Abbreviation	Description / Full Form
	(Mutual Funds) Regulations, 1996.
"NA" or "N.A."	Not Applicable
"NACH"	National Automated Clearing House.
"Net Asset Value per Equity Share"	Net Worth for the year or period / Number of Equity shares subscribed and fully paid outstanding as at the end of the year or period.
"NEFT"	National Electronic Fund Transfer.
"Net Worth"	The aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited/unaudited balance sheet, as the case may be, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation and capital reserve
"Non Residents" or "NR(s)"	Non-resident(s) or person(s) resident outside India, as defined under the FEMA.
"NRE Account"	Non-resident external account.
"NRI"	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016.
"NRO Account"	Non-resident ordinary account.
"NSDL"	National Securities Depository Limited.
"NSE"	National Stock Exchange of India Limited.
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
OCI	Overseas Citizen of India
"p.a."	*Per annum*.
"PAC"	Persons acting in concert
"PAT"	Profit After Tax
"PBT"	Profit Before Tax
"P/E Ratio"	Price / Earnings Ratio
"PIO"	Persons of Indian Origin
"PAN"	Permanent Account Number.
"RBI"	Reserve Bank of India.
"RBI Act"	Reserve Bank of India Act, 1934
"Regulation S"	Regulation S under the US Securities Act.
"RTGS"	Real Time Gross Settlement.
"RONW"	Return on Net Worth
"SCORES"	SEBI Complaints Redress System
"SCRA"	Securities Contracts (Regulation) Act, 1956.
"SCRR"	Securities Contracts (Regulation) Rules, 1957.
"SEBI"	Securities and Exchange Board of India.
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
"SEBI Rights Issue Circular"	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.

Term /Abbreviation	Description / Full Form
"SEBI Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
"SEBI VCF Regulations"	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
"SMS"	Short Message Service.
"State Government"	Government of a state of India.
"Total Borrowings"	Aggregate of current borrowings, non-current borrowings and current maturities of non- current borrowings
"U.S.","USA" or "United States"	United States of America, including the territories or possessions thereof.
"US$", "USD", "$" or "U.S. dollars"	United States Dollar.
"US Securities Act"	U.S. Securities Act of 1933, as amended.
"US SEC"	US Securities and Exchange Commission.
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the "**Issue Materials**") will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Further, the Letter of Offer will be sent / dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Abridged Letter of Offer and the Application Form will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Abridged Letter of Offer and the Application Form will be dispatched by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address, on a reasonable effort basis.

Investors can also access this Draft Letter of Offer, the Letter of Offer the Abridged Letter of Offer and Application Form from the websites of our Company, the Lead Manager, the Stock Exchanges and the Registrar.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send document in, into the United States or any other jurisdiction where to do so, would or might contravene local securities laws or regulations or would subject the Company, Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale / offer of the Rights Equity Shares and / or the Rights Entitlement hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Issue Materials or the date of such information.

The contents of this Draft Letter of Offer should not be construed as business legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager nor any of their respective affiliates are making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND RIGHT EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (THE "**UNITED STATES**" OR "**U.S.**") OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**"), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA AND IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS ARE PERMITTED UNDER LAWS OF SUCH JURISDICTIONS, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY SECURITIES OR RIGHTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER / ABRIDGED LETTER OF OFFER, RIGHTS ENTITLEMENT LETTER AND APPLICATION FORM SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserves the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) 'India' are to the Republic of India and its territories and possessions; and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable; and (ii) the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

In this Draft Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, where applicable.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all reference to a year in this Draft Letter of Offer are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial data

Unless stated otherwise or unless the context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Financial Statements. For further details, see "*Financial Statements*" on page 72.

Our Audited Financial Statements have been prepared in accordance with Ind AS, specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Fiscal commences on April 1 of each year and ends on March 31 of the succeeding year, so all references to a particular "Fiscal Year", "Fiscal", "Financial Year" or "FY" are to the 12 months period ended on March 31 of that year.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in Lakhs.

Market and industry data

Unless stated otherwise, market and industry data used in this Draft Letter of Offer has been obtained or derived from publicly available information, industry publications and sources. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy, adequacy, completeness, reliability or underlying assumption are not guaranteed. Similarly, industry forecasts, market research and industry and market data used in this Draft Letter of Offer, while believed to be reliable, have not been independently verified by our Company, the Lead Manager or its affiliates and neither our Company, the Lead Manager, nor its respective affiliates make any representation as to the accuracy of such information. Accordingly, investors should not place undue reliance on this information.

Non-GAAP measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Net Worth, return on Net Worth, Net Asset Value per Equity Share, and earnings before interest, tax, depreciation and amortization have been included in this Draft Letter of Offer. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency of presentation

Unless otherwise specified or the context otherwise requires, all references to:

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of India;
- 'US$', 'USD', '$' and 'U.S. Dollars' are to the legal currency of the United States of America; and
- 'Euro' are to the legal currency of Spain.

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies:

S. No.	Name of the Currency	Exchange rates as on		
		September 30, 2022	**March 31, 2022**	**March 31, 2021**
1.	1 United States Dollar	81.55	75.81	73.50
2.	1 Euro	80.11	84.66	86.10

Source: www.rbi.org.in and www.fbil.org.in.
**Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.*

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward- looking statements'. Investors can generally identify forward-looking statements by terminology including 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'future', 'forecast', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'target', 'will', 'would' or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Letter of Offer that are not historical facts.

These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- Our inability to procure adequate amounts of raw material at competitive prices.

- The loss of certain key customers on whom we are dependent for our revenue.

- Our ability to maintain our relationships with our customers and inability to meet their products specifications and supply our products in timely manner.

- Our inability to obtain, maintain or renew requisite statutory and regulatory and contractual permits and approvals or waivers for our business and financial operations.

- Regulatory changes pertaining to the industry in India which have an impact on our business and our ability to respond to them.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "*Risk Factors*", "*Details of Business-Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 16, 57 and 132, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Draft Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the sections, "*Objects of the Issue*", *"Outstanding Litigation and Defaults"*, "*Risk Factors*" and "*Details of Business*" on pages 44, 147, 16 and57, respectively.

Summary of primary business

We are a flagship manufacturing company of Dempo Group engaged in the business of manufacturing and marketing calcined petroleum coke ("**CPC**"). Our business model is fundamentally a B2B model wherein we supply our product, CPC, primarily to aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specifications. We sell our product to our customers located at Odisha, Madhya Pradesh and Uttar Pradesh etc.

For further details, see "*Details of Business-Our Business*" on page 57.

Objects of the Issue

The Net Proceeds are proposed to be utilised by our Company in accordance with the details set forth below:

(in ₹ Lakhs)

Particulars	Amount
Funding incremental working capital requirements of our Company	16,000.00
General corporate purposes*	[●]
Total Net Proceeds**	[●]

**Subject to the finalization of the Basis of Allotment and the Allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
***Assuming full subscription and Allotment of the Rights Equity Shares.*

For details, see "*Objects of the Issue*" on page 44.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoters, *viz*, Shrinivas Vasudeva Dempo and V. S. Dempo Holdings Private Limited, by way of their letters dated December 23, 2022, have confirmed that they along with the members of Promoter Group of our Company, intend to subscribe, jointly and/ or severally, to the full extent of their Rights Entitlements (including through subscription of any Rights Entitlements renounced in their favour by any Promoter and the member of Promoter Group of our Company). Further, our Promoters and Promoter Group also reserve the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and Promoter Group, over and above their Rights Entitlements, as applicable, shall not result in a change of control of the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Summary of outstanding litigation and material developments

A summary of the outstanding legal proceedings involving our Company as on date, included in this Draft Letter of Offer, is set out below:

Nature of Cases		Number of cases	Aggregate amount involved* (₹ in Lakhs)
Litigations involving our Company			
A.	**Proceedings involving moral turpitude or criminal liability on our Company**		
	- Filed by our Company	3	9.31
	- Filed against our Company for which the matter is currently pending for disposal	-	-
B.	**Proceedings involving material violations of statutory regulation by our Company**		
C.	**Tax Matters**		
	- Direct Tax	3	1,652.00
	- Indirect Tax	1	717.00
D.	**Matters involving economic offences where proceedings have been initiated against our Company**	-	-
E.	**Other proceedings involving our Company which involve an amount exceeding Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company**	-	-
	- Filed by our Company	1	-
	- Filed against our Company for which the matter is currently pending for disposal	-	-

**To the extent quantifiable*

For details, see "*Outstanding Litigation and Defaults*" on page 147.

Risk factors

Specific attention of the investors is invited to the section "*Risk Factors*" on page 16. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

Contingent liabilities of our Company

For details of the contingent liabilities during Fiscal 2022, see "*Financial Statements*" on page 72.

Related party transactions

For details of our related party transactions as per Ind AS 24 during Fiscal 2022, see "*Financial Statements*" on page 72.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not made any issuance of Equity Shares for consideration other than cash in the last one year immediately preceding the date of filing of this Draft Letter of Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below before making an investment in the Rights Equity Shares.

This section describes the risks that we currently believe may materially affect our business and operations. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we do not, currently, believe to be material may also have an adverse effect on our business, prospects, results of operations, cash flows and financial condition. If any of the following risks, or a combination of risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, prospects, results of operations, financial condition and cash flows could be adversely affected, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Rights Equity Shares.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. Unless otherwise stated in the relevant risk factors set forth below, we are not able to specify or quantify the financial or other risks mentioned herein. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Details of Business-Industry Overview", "Details of Business-Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 54, 57 and 132, respectively of this Draft Letter of Offer, as well as the financial and other information contained in this Draft Letter of Offer.

This Draft Letter of Offer also contains forward-looking statements that involve risks, estimates, assumptions and uncertainties. Our actual results may differ materially from the anticipated results in the forward-looking statements as a consequence of certain factors including the considerations described below and elsewhere in this Draft Letter of Offer.

In this section, unless the context otherwise requires, a reference to "our Company", "us" or "our" is a reference to Goa Carbon Limited.

INTERNAL RISK FACTORS

1. ***We depend on the success of our relationships with our customers. Our revenue is generated from certain of our key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows***

Our Company is primarily engaged in the business of manufacturing and marketing of CPC. Our business model is fundamentally a B2B model wherein we supply our product i.e. CPC, primarily to aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specifications. We have, through our over 4 decades of business operations, established long-term relationships with our customers, including leading manufacturers of aluminum and steel. The table below sets forth the details of revenues from operations (sale of products) generated from our single largest customer, top 3 customers and top 5 customers during the six months period ended September 30, 2022 and Fiscals 2022 and 2021:

(₹ in Lakhs)

Customers	Six months period ended September 30, 2022		Fiscals 2022		Fiscal 2021	
	Amount	Percentage of revenue from operations (sale of products)	Amount	Percentage of revenue from operations (sale of products)	Amount	Percentage of revenue from operations (sale of products)
Top 1	43,887.66	69.52%	50,729.94	66.26%	20,699.70	58.71%
Top 3	61,454.38	97.34%	73,359.05	95.81%	31,704.26	89.93%
Top 5	61,969.63	98.16%	74,243.62	96.97%	32,287.35	91.58%

Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration the receipt of recurring revenues and repeat orders of these customers could result in a significant decrease in the revenues of our Company, that we derive from these customers. The reduction in the amount of business we obtain from our customers whether due to circumstances specific to such customer, such as pricing pressures, inability on our part to manufacture the products in a timely manner, not matching the quality and quantity standards expected from us by our customers or adverse market conditions affecting our supply chain or the economic environment generally, such as the COVID-19 pandemic, could have an adverse effect on our business, results of operations, financial condition and cash flows. Further, in the event of loss of one or more set of customers on whom we are dependent for our business, we cannot assure you that we may be able to offset such loss of business by entering into contracts with new customers or our existing customers.

2. Our Company derives a substantial portion of its revenues from sales to aluminium and steel industry and has a single product CPC.

Our Company focuses on manufacturing of CPC only and has limited user industries, predominant ones being aluminium and steel. Majority of our revenues revenue is derived from the sale of CPC and our products are primarily supplied to aluminium smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specifications.

As a result, factors affecting the aluminium and steel industry or our customers, such as, (i) demand for our customers' products, which may cause our manufacturing capacities to be underutilised during specific periods; (ii) our customers' failure to successfully market their products or to compete effectively; (iii) loss of market share, which may lead our customers to reduce or discontinue the purchase of our products; and (iv) economic conditions of the markets in which our customers operate, could have an adverse effect on our business and sales to our customers would decline substantially. Accordingly, any significant downturn in the aluminium and steel industry could have a significant impact on our financial condition and our growth prospects. Further, our revenue from the sale of such products may also decline as a result of increased competition, regulatory action, pricing pressures or fluctuations in the demand for or supply of such products, which may adversely affect our business, results of operations and financial condition.

3. In the event we are unable to procure adequate amount of raw material, at competitive prices, our business, results of operations and financial condition may be adversely affected. Further, we generally do not enter into agreements with our suppliers and accordingly may face disruptions in supply from the current suppliers.

The primary raw materials required to manufacture our product is raw petroleum coke. The cost of materials consumed in our manufacturing process amounts to ₹50,967.63 lakhs, ₹67,225.56 lakhs and ₹28,460.51 lakhs during the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, respectively. We generally do not enter into long-term supply contracts with suppliers of our raw materials that we purchase and typically transact business on contract/ purchase order basis. We source our raw materials from Indian as well as overseas refineries and from overseas suppliers in international market.

The details of the raw materials purchased during the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021 are set our below:

(₹ in Lakhs)

Region	**Six months period ended September 30, 2022**		**Fiscals 2022**		**Fiscal 2021**	
	Purchases	**Percentage of total purchases**	**Purchases**	**Percentage of total purchases**	**Purchases**	**Percentage of total purchases**
Domestic	10,583.14	21.34%	5,627.73	10.44%	5,080.96	20.39%
Import	39,019.70	78.66%	48,297.09	89.56%	19,843.81	79.61%
Total	**49,602.84**	**100.00%**	**53,924.82**	**100.00%**	**24,924.77**	**100.00%**

Our inability to procure raw materials on terms more favourable, or at all, may constrain our raw material supply, resulting in an adverse effect on our business, financial condition and results of operations. Any increase in price of cost of inputs as well as limitations and/ or disruptions in the supply of such inputs, will adversely affect our business and financial condition. We cannot assure that we shall be able to timely and adequately effect any prices increases corresponding to the input costs escalation. Further, any substantial delay in supply or non-conformance to quality requirements by our suppliers can impact our ability to meet our customer requirements and thus impact our business and results of operations. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated sales forecasting taking into consideration any expected fluctuation in raw material prices and delivery delay. In case we fail to correctly analyze our product requirement or non-availability of required raw materials or any other item of production in desired quantity and quality at the right time, it may impact our sales commitments, which consequently will have an adverse effect on our business and results of operations

In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, environmental factors and changes in government policies and regulations. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers.

While historically, we have not experienced a shortfall or limited availability of raw materials that has affected our operations, we cannot assure you that there will not be any significant and prolonged interruption or a shortage in the supply of our critical raw materials. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations. Further, an increased cost in the supply of raw material arising from a lack of long-term contracts could have an adverse impact on our ability to meet customer demand for our products and result in lower net revenue from operations both in the short and long term.

4. We are subject to strict technical specifications and quality requirements provided by our customers and failure to comply with the technical specifications and quality standards prescribed by such customers may lead to loss of business from such customers and could negatively impact our reputation, which would have an adverse impact on our business prospects and results of operation.

We are engaged in the manufacturing and marketing CPC. Our business model is fundamentally a B2B model wherein we supply our product, CPC, primarily to aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specification. We may during our manufacturing process experience problems for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, manufacturing quality concerns, problems with raw materials, lack of technical know-how, natural disaster related events or other environmental factors. If our suppliers fail to provide the raw materials or supply the same to our competitors, the manufacturing of our CPC could be disrupted, delayed or interrupted leading to adverse effect on our business, reputation, goodwill, results of operations and financial condition. Given the nature of our products and the sector in which we operate, our customers have stringent standards for product quality. Any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of business and reputation of our Company, rejection of the product, which will require us to incur additional cost, which will not be borne by the customer, to replace the rejected product, and loss of customer which could have adverse effect on our reputation, business and our financial condition. Additionally, it could expose us to monetary liability and, or, litigation

5. Any reduction in the demand of our products could lead to underutilisation of our manufacturing capacity. We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial conditions and cash flows.

We face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production by our customers could adversely affect our results of operations by reducing our sales volume leading to a reduced utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for our products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our Manufacturing Plants could adversely affect our business, results of operations, financial condition and cash flows.

6. Prices and sales volumes for our CPC are dependent on the aluminium industry, and any decrease in such demand or prices could adversely affect our revenues and results of operations.

Sales prices and volumes in the CPC depend mainly on the prevailing and expected level of demand for CPC in the aluminium industry. During periods of sluggish or declining regional or world economic growth, demand for aluminium products generally decreases, which usually leads to corresponding reductions in demand for CPC. Historically, international prices for CPC has been volatile and subject to wide fluctuations in response to relatively minor changes in supply and demand, market uncertainties, the overall performance of the global or regional economies, the related cyclicality in the aluminium industry and various other factors beyond our control. The price of CPC is directly affected by the aluminium industry, which is cyclical in nature. The prices of aluminium products are influenced by many factors, including demand, worldwide production capacity, capacity-utilization rates, raw-material costs, exchange rates, trade barriers and improvements in aluminium-making processes.

Any significant decrease in demand for aluminium products or decline in the price of these products could result in reduced CPC demand and CPC prices which could significantly reduce our revenues, thereby materially and adversely affecting our business, financial condition, results of operations and prospects. The recent global market fluctuations and economic volatility affected the aluminium industry internationally, including in India. Commodity prices and the market for CPC may continue to be volatile and subject to wide fluctuations in the future. Prices also may be affected by various circumstances, including speculative trades, government actions, including the imposition of tariffs and import duties, an increase in capacity or supply of CPC or the development of product substitutes or replacements. These factors and the volatility of the commodity markets make it difficult to estimate future prices.

Furthermore, we do not hedge or mitigate our exposure to the risk of fluctuations in the prices of our products. As a result, a decline in the prices we receive for CPC or in the market for CPC would adversely affect our revenues and results of operations, and a sustained drop in prices for CPC would have a material adverse effect on our business, financial condition, results of operations and prospects.

7. We depend on certain key suppliers for our raw materials and other components required for our manufacturing process which could result in delays and adversely affect our output.

Our production depends on obtaining adequate supplies of raw materials and other components on a timely basis. We purchase our main components from domestic and foreign raw material manufacturers that can satisfy our quality standards as well as those of our customers and meet our volume requirements. In light of our standards, there are few suppliers who may supply (within time) the raw materials of the required specifications and as per the quality standards, which are essential to our manufacturing process and our products. We place reliance on these key suppliers and this generally involves several risks, including a shortage of raw material and other components, increases in component costs and reduced control over delivery schedules. Also the capacity of certain of these suppliers may not be equipped to cope with increase in orders on shorter notice or may prefer their other customers to make supplies to over us.

Our top five suppliers accounted for 76.29%, 81.62% and 88.85% of our purchases (net) for the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, respectively. Our reliance on certain key suppliers could result in delays that could adversely affect our output, results of operations and financial condition. Where alternative sources of raw materials and components are available, qualification of the alternative suppliers, establishment of reliable supplies from such sources and reliance on them over time may result in delays that could adversely affect our manufacturing processes, results of operations or financial condition.

8. We depend on key equipment and machinery, and the non-availability of such equipment at reasonable cost may adversely affect our operations and financial results.

Our manufacturing and processing operations depend on various key equipment and heavy machinery. Some of our equipment's are old and requires continuous maintenance, upgrading and replacement. Acquisition of new equipment is capital intensive and if such equipment cannot be utilized in a productive and efficient manner as a result of various circumstances including the non-availability of skilled manpower, our operations and profitability may be adversely affected. Further, if there is any potential delay or default on the part of equipment suppliers or if we are unable to acquire advanced technology or equipment in a timely manner or fail to appropriately upgrade existing technology and equipment, we may not be able to fully meet market demand, which could have an adverse effect on our business, financial condition, results of operations and prospects. Increase in the cost of equipment and spares may increase our cost of production and could adversely affect our profitability.

9. Our business is dependent on our Manufacturing Plants and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or underutilization of our Manufacturing Plants could have an adverse effect on our business, results of operations and financial condition.

We conduct our operations through our three (3) Manufacturing Plants each located at (i) Salcete, Goa; (ii) Bilaspur, Chhattisgarh; and (iii) Paradeep, Odisha *(formerly Orissa)*. Our business is dependent upon our ability to manage and maintain our Manufacturing Plants, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same.

We cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our Manufacturing Plant, which in turn may have an adverse effect on our business, results of operations and financial condition.

10. Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase raw materials and sale of our finished products and the subsequent collection process viz. our customers. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements, thus increasing our storage and working capital requirements. For example, the total working capital as on September 30, 2022, was ₹ 45,013.78 Lakhs. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations, financial condition, and cash flows could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition, and cash flows.

11. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial conditions.

We have experienced stable growth over the past two years. Our revenue from operations has grown by 117.16% from ₹ 35,278.59 lakhs in Fiscal 2021 to ₹ 76,611.65 lakhs in Fiscal 2022 and our profit/(loss) for the period has grown from (₹ 481.20) lakhs in Fiscal 2021 to ₹ 3,777.93 lakhs in Fiscal 2022. However, there can be no assurance that our growth strategy will be successful or that we will be able to continue to expand further, or at the same rate.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth depends on our ability to, amongst other factors, focus on strengthening the working capital requirements, strategic tie-up with international refineries for procurement of raw materials on long term basis at competitive rates, to continuously strengthen our financial position and by cost optimization and improving operational efficiency. For further information, see "*Details of Business -Our Business – Key Strategies*" on page 59. Our ability to achieve grow will be subject to a range of factors, including our ability to identify trends and demands in the industry; compete with existing companies in our markets; consistently exercise effective quality control; hire and train qualified personnel; and ability to transport our finished products efficiently. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. Our future growth also depends on expanding our sales and distribution network to enter new markets, and recognition of our existing and recently introduced brands. We may face increased risks when we enter new markets in India and internationally, and may find it more difficult to hire, train and retain qualified employees in new regions. In addition, we may have difficulty in finding reliable suppliers with adequate supplies of raw materials meeting our quality standards and dealers/ distributors with efficient distribution networks. As a result, the products we sell new markets may be more expensive to produce and/ or distribute and may take longer to reach expected sales and profit levels than in our existing sales and profit levels, which could affect the viability of these operations or our overall profitability.

Our strategic plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our workforce. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our strategic plans may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategies could have a material adverse effect on our business, financial condition and profitability.

12. ***We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.***

Our operations are subject to various government regulations and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business and for our Manufacturing Plant. A majority of these approvals are granted for a limited duration. Some of these approvals expire from time to time and accordingly we make an application for obtaining the approval or its renewal from time to time. We cannot assure you that the relevant authorities will issue or renew any expired permits or approvals in time or at all. Failure or delay in obtaining approvals or failure by us in obtaining, maintaining or renewing the required permits or approvals within the validity period of such approvals or permits, may result in interruption of our operations. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

Although we endeavour to obtain and maintain relevant regulatory approvals and permits applicable to our operations, such approvals and permits are subject to various conditions and in the event of our inability to comply with such conditions, the relevant regulatory authorities may suspend or revoke such approvals. In addition, the regulations governing our operations may be amended and impose more onerous obligations on us which may result in increased costs or subject us to penalties or disruptions in our activities, any of which could adversely affect our business.

While our Manufacturing Plants may be in compliance with applicable laws and regulations, we may be subject to additional regulatory requirements due to changes in governmental policies. Further we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract a penalty.

13. ***Failure to comply with environmental laws and regulations could lead to unforeseen environmental litigation which could impact our business and our future net earnings.***

We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water and the management and disposal of any hazardous substances. Environmental laws and regulations and their enforcement in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be pre-empted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, and revocation of operating permits or shutdown of our facilities.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated and may adversely affect our business, results of operations or financial condition. In the event our products are found to be non-compliant with any environmental laws or regulations, our products could be restricted from entering certain markets and we could also face other sanctions if we were to violate or become liable under environmental laws. In the event we are found to be non-compliant, the potential exposure could include fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. Further, liability under some environmental laws relating to contamination of sites can be imposed retrospectively. The amount and timing of costs under environmental laws are difficult to predict.

14. ***A violation of health and safety requirements and the occurrence of accidents could disrupt the Company's operations and increase operating costs.***

A violation of health and safety laws or failure to comply with the requirements of the relevant health and safety authorities could lead to, among other thing, a temporary shutdown of all, or a portion of, the Company's Manufacturing Plants and the imposition of costly compliance procedures. If health and safety authorities shut down all, or a portion of, our Manufacturing Plant or impose costly compliance measures, our business, financial condition, results of operations and prospects could be materially and adversely affected.

The nature of our Company's operations creates a risk of accidents and fatalities among its workforce, and it may be required to pay compensation or suspend operations as a result of such accidents or fatalities, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

15. ***Any change in Government policies towards the CPC industry could adversely affect our business and results of operations.***

We expect that state and central government policies will continue to affect manufacturing and selling of CPC. While the Supreme Court of India *vide* its order dated October 9, 2018 ("**Order**"), imposed restrictions on the import of CPC by the aluminium smelters which is capped by the at 0.50 million tonnes per annum and the additional requirement of aluminium smelters will have to be met from domestic supplies within India. We cannot assure you that the implementation of the Order or any other similar order, laws, regulations or policies may not have an adverse impact on our business, financial condition and results of operations in the future. Further, there can be no assurance that, any changes in Government policies relating to the manufacturing and selling CPC such as the withdrawal of or changes in incentives, export or import restrictions on CPC, adverse changes in commodity prices or minimum support prices could affect the ability of our Company to spend on manufacturing of CPC, which in turn could adversely affect our business and results of operations.

16. ***We are dependent on third party transportation providers for the supply of raw materials and delivery of our products.***

As a manufacturing business, our success depends on the smooth supply and transportation of the raw material required for our facility and of our products from our facility to our customers, or intermediate delivery points such as ports and railway stations, both of which are subject to various uncertainties and risks. We use third party transportation providers for the supply of most of our raw materials and delivery of our products to domestic customers. We are also dependent on such third party freight and transportation providers for the delivery of our products to customers and suppliers. Transportation strikes may also have an adverse impact on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation negatively.

Our Manufacturing Plants are strategically located close to the Paradeep and Goa port which puts our Company in more strategic and operational advantageous position which facilitates on time deliveries and improved efficiencies. However, failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. An increase in freight costs or the unavailability of adequate infrastructure for transportation of our products to our customers may have an adverse effect on our profitability and results of operation. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our product.

17. ***We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our financials performances to fluctuate.***

Our Financial Statements are presented in Indian Rupees. However, a significant portion of our raw materials expenditures are in foreign currencies, mostly the U.S. dollars. The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and this has impacted our results of operations in the past and may also impact our business in the future. During the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, our Company had imported the raw material of ₹ 39,019.70 Lakhs, ₹ 48,297.09 Lakhs and ₹ 19,843.81 Lakhs, respectively. Therefore, we have exposure to foreign currency risks in respect of our raw materials imports. A depreciation of the Rupee would result in an increase in the prices of our imported raw materials. However, our Company enters into forward contract with banks to avoid the exchange loss.

18. ***Our Company is involved in certain legal proceedings, which, if determined against us, may adversely affect our business and financial condition.***

We are currently, and may in the future be, involved in lawsuits including lawsuits involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions and other matters. In addition, we are subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage.

Our Company is currently involved in certain legal proceedings. These proceedings are pending at different levels of adjudication. The summary of outstanding litigations by and against our Company have been set out below:

Nature of Cases	**Number of cases**	**Aggregate amount involved* (₹ in Lakhs)**
Litigations involving our Company		
F. Proceedings involving moral turpitude or criminal liability on our Company		
- Filed by our Company	3	9.31
- Filed against our Company for which the matter is currently pending for disposal	-	-
G. Proceedings involving material violations of statutory regulation by our Company		
H. Tax Matters		
- Direct Tax	3	1,652.00
- Indirect Tax	1	717.00
I. Matters involving economic offences where proceedings have been initiated against our Company	-	-
J. Other proceedings involving our Company which involve an amount exceeding Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	-	-
- Filed by our Company	1	-
- Filed against our Company for which the matter is currently	-	-

Nature of Cases	Number of cases	Aggregate amount involved* (₹ in Lakhs)
pending for disposal		

**To the extent quantifiable.*

The amounts claimed in these proceedings have been disclosed to the extent ascertainable/ quantifiable and include amounts claimed jointly and severally. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. We may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If any new developments arise, such as changes in Indian law or any rulings against us, we may need to make provisions in our financial statements that could increase our expenses and liabilities. For further information, see "*Outstanding Litigation and Defaults*" on page 147.

19. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

Our operations involve extending credit for extended periods of time to our customers in respect of our products, and consequently, we face the risk of non-receipt of these outstanding amounts in a timely manner or at all, particularly in the absence of long-term arrangements with customers. Our credit terms vary from the start days to 30 days for our customers. We cannot guarantee that our customers will not default on their payments. Our inability to collect receivables from our customers in a timely manner or at all in future, could adversely affect our working capital cycle and cash flows. In Fiscals 2021 and 2022 and for the six months period ended September 30, 2022, our trade receivables were ₹ 6,439.84 lakhs, ₹ 2,822.54 lakhs and ₹ 15,122.88 lakhs, respectively, which represented 18.22%, 3.67% and 23.84%,%, respectively, of our total income for such periods. Our receivable turnover day was 45 days and 22 days in Fiscals 2021 and 2022, respectively, and any increase in our receivable turnover days will negatively affect our business. Further, bad debts amounted to ₹ 1.17 lakhs, ₹4.63 lakhs and ₹ 0.02 lakhs in Fiscals 2021, 2022 and six months period ended September 30, 2022, respectively. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. In particular, farmers may be adversely affected by a number of factors beyond their control, which could affect their financial condition. An increase in bad debts or in defaults by our customer and dealers may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

20. We have certain contingent liabilities which may adversely affect our results of operation, cash flows and financial condition.

Our contingent liabilities as at September 30, 2022 are set out below:

(₹ in Lakhs)

Name of statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount related (Assessment Year)	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Income Tax	247.44	247.44	1994-95	Assistant Commissioner of Income Tax	Income tax demand under appeal
Income Tax Act, 1961	Income Tax	901.00	901.00	1995-96 to 2003-04	Supreme Court of India	The Company's appeal to the High Court of Bombay at Goa against the order of the Income Tax Appellate Tribunal

Name of statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount related (Assessment Year)	Forum where dispute is pending	Remarks
						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 Honorable Supreme Court. The petition has been admitted and is pending for hearing

In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected.

21. A shortage or non-availability of electricity may affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.

Our manufacturing operations require continuous supply of electricity. Any shortage or non-availability may adversely affect our operations. We currently depend on state electricity supply for our energy requirements, as well as backup generators in critical areas of our Manufacturing Plants. We cannot assure you that our entire facility will be operational during power failures. This may have an adverse effect on our business, results of operations and financial condition.

22. Our historical installed capacity and capacity utilisation of our Manufacturing Plants included in this Draft Letter of Offer are based on various assumptions and estimates, and future production and capacity may vary.

The historical installed capacities and capacity utilisation of our Manufacturing Plants included in this Draft Letter of Offer is based on various factors, including existing operational needs, availability of raw materials, potential plant utilization levels, downtime resulting from scheduled maintenance activities, demand of CPC, unscheduled breakdowns, as well as other factors affecting operational efficiencies. However, there can be no assurance that the entire capacity will be available to us at all times or that actual production levels and utilisation rates will bear resemblance or be in line with historical performance. Our future production levels may therefore vary significantly from the historical data.

Our capacity utilisation in the six months ended September 30, 2022 was 49%, and it was 59% and 47% during the Fiscal March 31, 2022 and March 31, 2021, respectively. *(Source: Certificate dated November 21, 2022 issued by Sawkar Associates, Chartered Engineer, having registration no. M52274)* Therefore, undue reliance should therefore not be placed on our installed capacity or historical capacity utilization information for our existing facility included in this Draft Letter of Offer. For further information, see "*Details of Business-Our Business*" on page 57

23. Our lenders have imposed certain restrictive covenants on us under our financing arrangements. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry.

The financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. As of September 30, 2022, we had outstanding indebtedness of ₹49,387.11 Lakhs. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others, (a) permit any change in the ownership/ control/ management/ shareholding (including by pledge of promoter/ sponsor shareholding in the borrower to any third party), and (b) wind up, liquidate or dissolve its affairs or take any steps for its voluntary winding up or liquidation or dissolution. While we have received all relevant consents required for the purposes of this Issue and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time. While we have not defaulted on any covenants in financing agreements in the past, we cannot assure you that this will continue to be the case in the future.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements, that include, among others, acceleration of amounts due under such facilities, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. For further information on our borrowings, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Total Borrowings*" on page 132.

24. Our Company has availed and may continue to avail in the future certain unsecured loans which maybe recalled by our lenders at any time.

As of September 30, 2022, our Company has unsecured loans amounting to ₹ 7,000.00 Lakhs and may continue to avail unsecured loans, which may be recalled at any time, with or without the existence of an event of default, on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lender to give us extensions or to refrain from exercising such recalls, which may adversely affect our results of operations and cash flows.

25. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.

We may require additional funds in connection with future business growth and development initiatives. In addition to the net proceeds of this Issue and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create additional charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

26. We are dependent upon the experience and skill of our management team and a number of key managerial personnel. Failure to attract, retain, train or optimally utilise them will adversely affect our business.

We are dependent on a highly qualified, experienced and capable management team for setting our strategic business direction and managing our business. Our Directors and several of our key managerial personnel have extensive experience in the industry that we operator. Our success and ability to meet the continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. As of September 30, 2022, we had 178 permanent employees. During the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, our attrition rates were 3.32%, 6.51% and 5.68%, respectively. We cannot guarantee that we will be able to recruit and retain qualified and capable employees. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an effect on our financial results and business prospects. Further, if we cannot hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management and sales personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees.

27. ***Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of September 30, 2022, we employed 178 personnel across our operations. Any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting the region may adversely affect operations at our facility. We cannot assure you that we will always be able to arrange for alternate manufacturing facility. Any inability on our part to arrange for alternate manufacturing facility may have an adverse effect on our business, results of operations and financial condition.

We have not experienced any major work stoppages due to labour disputes or cessation of work in the last three years preceding the date of this Draft Letter of Offer, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations.

We cannot assure you that in the future we will be able to meet all the demands raised by our employees. We also cannot assure you that increase in the amount of wages to be paid to our employees will not have any negative financial impact on our Company. Further, any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

28. ***We hire contract labours for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.***

In order to maintain operational efficiencies, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, in the event that the contractor fails to pay wages to its employees, we as the principal employer of such contract labour may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees in specified situations. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

29. ***Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject to, and this may have a material adverse effect on our business and financial condition.***

We maintain insurance coverage in accordance with industry standards that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Our Manufacturing Plants are covered under an industrial all risk policy which provides for various covers including fire and special perils. The raw materials imported by us are covered under a marine cargo open policy wherein raw materials imported are insured from various risks. Our products are covered under a marine cargo open policy wherein products are insured from various risks while being transported by road, rail or sea. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We apply for renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable

Our insurance cover for property, plant and equipment as of September 30, 2022 was ₹ 19,210.00 Lakhs, while our property, plant and equipment (on written down value) was ₹ 2,047.09 Lakhs as of September 30, 2022. Consequently, the Company has taken the insurance cover based on the replacement cost which is way higher than the net block of property, plant and equipment.

30. Our Company has incurred losses in the recent past. Any losses in the future may have a significant adverse impact on our financial condition and may lead to further erosion of our net worth.

Our Company has a loss of ₹ 481.20 Lakhs in Fiscal 2021, which was primarily due to increase in cost of raw materials consumed and other production related expenses. However, our Company has recorded profit of ₹ 3,777.93 Lakhs in Fiscal 2022. Our Company may incur losses in the future for a number of reasons and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. If our Company incur losses in the future or unable to generate sufficient revenue to meet our financial targets or unable to have sustainable positive cash flows, investors could lose its investment and the market price of our Equity Shares could suffer.

31. We have leased certain properties from which we operate our business including our Registered Office and Manufacturing Plant located at Chhattisgarh and Odisha. We cannot assure you that the lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.

We do not own the premises in which our Registered Office and Manufacturing Plant located at Chhattisgarh and Odisha. For further details of our premises, see "*Details of Business - Our Business – Property*" on page 57. We cannot assure you that we will own, or have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises, which may impair our operations and adversely affect our financial condition. We cannot assure you that we will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. If we are required to vacate these premises for any reason whatsoever including expiry or termination of lease or leave and license agreements, we may be unable to identify an alternative location immediately. Furthermore, some of the leave and license agreements executed by our Company may not be adequately stamped or registered with the registering authority of the appropriate jurisdiction. An instrument not duly stamped, or insufficiently stamped, shall not be admitted as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have a material adverse effect on the continuance of our operations and business.

32. Our ability to pay dividends in the future will depend on many factors including our earnings, financial condition, working capital requirements, future outlook, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, future cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable laws, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

33. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the past entered into transactions with our Directors, KMPs and enterprises over which our Directors and KMPs have a significant influence. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscal 2022 and six months period ended September 30, 2022, the aggregate amount of such related party transactions was ₹ 9,730.11 Lakhs and ₹27,908.69 Lakhs respectively. Although in terms of the Companies Act and the SEBI Listing Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board of Directors and Shareholders for certain related party transactions, there can be no assurance that such transactions, individually or in the aggregate, will receive the necessary approvals in future. Accordingly, any future transactions with our related parties could potentially involve conflicts of interest, which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows. For further details of our related party transactions, see *"Financial Statements"* on page 72.

34. Some of our Company's records relating to forms filed with the Registrar of Companies are not traceable.

Our Company is unable to trace copies of prescribed forms filed with the Registrar of Companies in India, with respect to (i) change in the registered office of our Company in the financial year 1969 and 1971; (ii) certain allotments equity shares made by the Company on October 21, 1969, September 18, 1973, February 5, 1974, November 14, 1980 and March 12, 1985; and (iii) allotments of preference shares made by the Company on February 5, 1974 and March 12, 1985. While our Company believes that these forms were duly filed on a timely basis, it has not been able to obtain copies of these documents, including from the relevant Registrar of Companies. Our Company cannot assure you that these form filings will be available in the future or that it will not be subject to any penalty imposed by the competent regulatory authority in this respect.

35. Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have been not appraised by any independent agency and may be subject to change based on various factors, some of which are beyond our control.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" beginning on page 44. Our funding requirements are based on internal management estimates and our current business plans and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control. We may have to revise funding requirements due to reasons which may not be within the control of our management.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business and results of operations.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoters will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

36. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.

The impact of the COVID-19 pandemic has been felt on a global scale and public health officials and governmental authorities across the world have adopted different measures including imposing nationwide or location specific quarantines, prohibiting people from assembling in heavily populated areas, restricting travel, issuing lock-down orders, and imposing remote working regulations. These measures have led to a significant decline in economic activities across sectors and, in particular, on the real estate industry on which we are heavily dependent. The outbreak of COVID-19 was recognised as a public health emergency of international concern on January 30, 2020, and as a pandemic by the World Health Organisation on March 11, 2020. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown beginning March 25, 2020. With the resurgence of the COVID-19 pandemic in April 2021, the lockdowns were re-imposed in various parts of India. While the lockdown currently does not remain in force in most states, as a result of the detection of new strains and subsequent waves of COVID-19 pandemic in several states in India as well as in various parts of the world, for example, third wave of the COVID-19 involving the B.1.1.529 (Omicron) variant detected in late 2021 which also led to an increase in COVID-19 cases in India, lockdown restrictions may be re-introduced. In case the lockdown is re-introduced, it could result in subdued growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect our business, prospects, results of operations and financial condition.

The scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. The mutation of the virus has resulted in the emergence of new variants which has exacerbated the risk and caused sudden and rapid increase in cases and deaths. While governmental authorities and public health officials have reacted and are reacting to the pandemic there is no certainty on when 'normalcy' can be expected. Further, given the rapid spread of COVID-19 and its evolving nature, it is, currently, difficult to accurately assess its impact on our business and financial condition. Moreover, if the impact of COVID-19 is prolonged or more severe than anticipated we may face a harmful impact on our business. To the extent the current COVID-19 pandemic adversely affects our Company, it may also aggravate the other risks impacting our business and results of operations. Further, if the measures adopted and undertaken by governmental authorities fail, or if vaccinations are not administered as planned or if additional or booster doses of the vaccine are required, and not available, then there could be a significant adverse impact on the Indian (and global) economy and, in particular, the packaging industry.

The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. If the COVID-19 pandemic continues or if the situation worsens, our business and financial condition could be materially adversely impacted.

37. We have not commissioned an industry report for the disclosures made in the chapter titled "Details of Business-Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "*Details of Business - Industry Overview*" of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

EXTERNAL RISK FACTORS

38. Our business is affected by prevailing economic, political and other prevailing conditions in India and the markets we currently service.

Our results of operations and financial condition depend significantly on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Various factors may lead to a slowdown in the Indian, which in turn may adversely impact our business, prospects, financial performance and operations. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our employee costs and decrease our operating margins, which could have an adverse effect on our results of operations. Any slowdown in the economy of the markets in which we operate may adversely affect our business and financial performance of our business and operation.

39. Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares

40. Investors may have difficulty enforcing foreign judgements against us or our management.

We are a limited liability company incorporated under the laws of India. Majority of our Directors and key management personnel are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

41. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business results of operations, cash flows and financial performance.

Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

42. A third party could be prevented from acquiring control of us because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors / shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, if a potential takeover of our Company would result in the purchase of the Rights Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of SEBI Takeover Regulations.

43. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

RISK RELATING TO EQUITY SHARES

44. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

45. Applicants to the Issue are not allowed to withdraw their bids after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

46. The Rights Entitlements of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before [●]) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

47. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sale of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

48. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹1 lakh arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. STT will be levied on the seller and/or the purchaser of the Equity Shares and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

The Government has announced the union budget for the Fiscal 2023, pursuant to which the Finance Bill, 2022, which proposes various amendments, has been introduced before the Parliament. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

49. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

50. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately fifteen days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

51. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

52. The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager and the Designated Stock Exchange. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

53. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

54. Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.

The Rights Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Rupee and other currencies (such as the U.S. dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results of operations.

55. SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in the relevant SEBI circulars, and in this Draft Letter of Offer.

The concept of crediting the Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has been introduced by the SEBI in Fiscal 2020. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. The Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circular and ensure completion of all necessary steps in relation to providing / updating their demat account details in a timely manner. For details, see "*Terms of the Issue*" on page 157. In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights

Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned / reversed / failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

56. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

SECTION III: INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution dated September 29, 2022, passed by our Board, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

The following is a summary of the Issue and should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section "*Terms of the Issue*" on page 157.

Rights Equity Shares being offered by our Company	Up to [●] Rights Equity Shares
Rights Entitlements*	[●] Rights Equity Share for every [●] fully paid up Equity Shares held on the Record Date
Record Date	[●], 2022
Face Value per Rights Equity Share	₹ 10
Issue Price	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share)
Issue Size	Up to ₹ 20,000 Lakhs# #*Assuming full subscription.*
Equity Shares subscribed, paid–up and outstanding prior to the Issue	91,51,052 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	[●] Equity Shares
Scrip Details	ISIN: INE426D01013 BSE: 509567 NSE: GOACARBON
ISIN for Rights Issue	[●]
Terms of the Issue	See "*Terms of the Issue*" on page 157
Use of Issue Proceeds	See "*Objects of the Issue*" on page 44
Terms of Payment	The full amount of the Issue Price being ₹ [●] will be payable on application.

**For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements. For details in relation to Fractional Entitlements, see "Terms of the Issue – Fractional Entitlements" beginning on page 157.*

GENERAL INFORMATION

Our Company was incorporated as "*Goa Carbon Limited*" on June 22, 1967, as a public limited company under the Companies Act, 1956 and was pursuant to granted a certificate of incorporation issued by the Registrar of Companies, for Union Territories of Goa, Daman and Diu, situated at Panaji - Goa. Our Company was granted a certificate of commencement of business by the RoC on May 30, 1968.

Registered and Corporate Office, corporate identity number and registration number of our Company

Goa Carbon Limited
Dempo House,
Campal,
Panaji,
Goa – 403 001,
India.

CIN: L23109GA1967PLC000076

Registration Number: 000076

Changes to the address of our registered office

The details of changes in the registered office of our Company are set forth below:

Date of change of registered office*	Details of the address of registered office	Reason(s) for change
April 1, 1969	The registered office of our Company was changed from New Municipal Building, Panaji – Goa, India to Velho's House Rua Conde De Toress Novas, Panaji – Goa	For administrative convenience
May 1, 1971	The registered office of our Company was changed from Velho's House Rua Conde De Toress Novas, Panaji – Goa to Dempo House, Campal, Panaji, Goa – 403 001, India.	For administrative convenience

As certified by Sadashiv V Shet, independent practicing company secretary vide certificate dated November 18, 2022.

Address of the Registrar of Companies

Our Company is registered with the RoC Goa, Daman & Diu, which is situated at the following address:

Registrar of Companies
Ministry of Corporate Affairs,
Corporate Bhawan,
EDC Complex, Plot No.21,
Patto, Panaji - 403001, Goa

Company Secretary and Compliance Officer

Pravin Satardekar
Dempo House,
Campal,
Panaji,
Goa – 403 001,
India
Telephone: +91 832 24 41300
E-mail: investorgrievances@goacarbon.com

Lead Manager to the Issue

Centrum Capital Limited
Level 9, Centrum House
C.S.T. Road, Vidyanagari Marg
Kalina, Santacruz (East)
Mumbai – 400 098, Maharashtra, India
Telephone: +91 (22) 4215 9000
Email: goacarbon.rights@centrum.co.in
Investor grievance email: igmbd@centrum.co.in
Contact person: Sooraj Bhatia/ Pooja Sanghvi
Website: www.centrum.co.in
SEBI registration number: INM000010445

Statement of responsibilities of the Lead Manager

Centrum Capital Limited is the sole Lead Manager to the Issue, and accordingly, there is no inter se allocation of responsibilities in the Issue. The details of responsibilities of the Lead Manager are as follows:

S. No.	Activity
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instrument, number of instruments to be issued etc.
2.	Coordination for drafting and design of the Draft Letter of Offer and Letter of Offer as per the ICDR Regulations, SEBI Listing Regulations and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges and SEBI.
3.	Assist in drafting, design of the Abridged Letter of Offer, Application Form, Rights Entitlement Letter etc.
4.	Selection of various agencies connected with Issue, such as Registrar to the Issue, Bankers to the Issue, Printers, Advertising Agency, Monitoring Agency, etc., as may be applicable and finalisation of the respective agreements.
5.	Liasoning with the Stock Exchanges for obtaining in-principle approval and completion of prescribed formalities with the Stock Exchanges and SEBI.
6.	Assist in drafting and approval of all statutory advertisements.
7.	Drafting and approval of all publicity material including corporate advertisements, brochure, corporate films etc.
8.	Co-ordination with Stock Exchange and formalities for use of online software, bidding terminal, mock trading, etc. including submission of 1% deposit.
9.	Formulation and coordination of marketing strategy, including, inter alia, distribution of publicity and Issue-related materials including application form, brochure and Draft Letter of Offer and Letter of Offer and coordination for queries related to retail Investors.
10.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the Company about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the issue, bankers to the issue, Self-Certified Syndicate Banks, etc.

Legal counsel to the Issue

M/s. Crawford Bayley & Co.
4th Floor, State Bank Building
N.G.N Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India
Telephone: +91 22 2266 3353
E-mail: sanjay.asher@crawfordbayley.com

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083, Maharashtra, India
Telephone: +91 810 811 4949
E-mail id: goacarbon.rights@linkintime.co.in
Investor grievance email: goacarbon.rights@linkintime.co.in
Contact person: Sumeet Deshpande
Website: www.linkintime.co.in
SEBI registration number: INR000004058

Investors may contact the Registrar to the Issue, or our Company Secretary, or our Compliance Officer for any Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the Rights Equity Shares applied for, amount blocked , ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see "*Terms of the Issue*" on page 157.

Statutory Auditors

B S R & Co. LLP,
8th Floor, Business Plaza, Westin Hotel Campus,
36/3-B Koregaon Park Annex, Mundhwa Road,
Pune – 411 001, Maharashtra, India.
Telephone: +91 20 6747 7300
E-mail: sdakshindas@bsraffiliates.com
Firm Registration No.: 101248W/W-100022
Peer Review Certificate No.: 011748

Expert

Except as stated below, our Company has not obtained any expert opinion.

Our Company has received a written consent from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, to include their name in this Draft Letter of Offer and other issue related documents as an "expert", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements, and the statement of possible special tax benefits dated December 22, 2022 , included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act, 1933.

Our Company has received written consent dated December 23, 2022, from Sridhar & Associates, an Independent Chartered Accountant of our Company, to include its name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in this Draft Letter of Offer to the extent and in their capacity as an Independent Chartered Accountant, and in respect of the certificates issued by them. Such consent has not been withdrawn as of the date of this Draft Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act, 1933.

Our Company has received a written consent dated November 21, 2022 from an Independent Chartered Engineer, Sawkar Associates to include his name in this Draft Letter of Offer as an "expert", as defined under under Section 2(38) of the Companies Act, 2013 in this Draft Letter of Offer to the extent and in their capacity as an Independent Chartered, Engineer and in respect of the reports issued by them. Such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act, 1933.

Banker(s) to the Issue/ Refund Bank

[●]

Self-Certified Syndicate Banks ("SCSBs")

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA applications from the Designated Intermediaries and updated from time to time, please refer to the above mentioned link or any such other website as may be prescribed by SEBI from time to time.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last date for credit of Rights Entitlements:	[●]
Issue Opening Date:	[●]
Last Date for On Market Renunciation[#]:	[●]
Issue Closing Date*:	[●]
Finalisation of Basis of Allotment (on or about):	[●]
Date of Allotment (on or about):	[●]
Date of credit (on or about):	[●]
Date of listing (on or about):	[●]

 # Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.
** Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts at least one day before the Issue Closing Date, *i.e.*, [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application, see "*Terms of the Issue*" on page 157.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

For details, see "*Terms of the Issue*" on page 157.

Credit rating

As the proposed Issue is for an issuance of Rights Equity Shares, the appointment of a credit rating agency is not required.

Debenture trustee

As the proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

Monitoring agency

Our Company has appointed [●] as the Monitoring Agency for the Issue, in accordance with Regulation 82 of the SEBI ICDR Regulations. The details of the Monitoring Agency are as follows:

[●]

Minimum subscription

The objects of the Issue involve financing other than the financing of capital expenditure for a project. Further, our Promoters and Promoter Group have undertaken that they will subscribe fully to the extent of their rights entitlement and that they shall not renounce their rights (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Accordingly, minimum subscription criteria are not applicable to the Issue.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India for its observations and through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011dated January 19, 2018) issued by the SEBI, and with the Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Draft Letter of Offer to the email address: cfddil@sebi.gov.in.

After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Letter of Offer is as provided below:

(in ₹, except share data)

		Aggregate value at face value	Aggregate value at Issue Price
1	**AUTHORISED SHARE CAPITAL**		
	2,20,00,000 Equity Shares of ₹ 10 each	22,00,00,000	-
	3,00,000 Preference shares of ₹ 100/- each	3,00,00,000	
2	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THIS ISSUE**		
	91,51,052 Equity Shares of ₹ 10 each	9,15,10,520	-
3	**PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER**(1)		
	[●] Rights Equity Shares, each at a premium of ₹ [●] per Rights Equity Share, *i.e.*, at a price of ₹ [●] per Rights Equity Share	[●]	[●]
4	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THIS ISSUE**(2)		
	[●] Equity Shares of ₹ 10 each	[●]	-

SECURITIES PREMIUM ACCOUNT	
Before this Issue *(₹ in Lakhs)*	3,131.01
After this Issue *(₹ in Lakhs)*	[●]*

(1) *This Issue has been authorised by a resolution passed by our Board at its meeting held on* September 29, *2022 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.*

(2) *Assuming full subscription for and Allotment of the Rights Equity Shares.*

** Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue expenses.*

Notes to the Capital Structure

1. **Details of options and convertible securities outstanding as on the date of this Draft Letter of Offer**

   There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.

2. Except as disclosed below, no Except as disclosed under the heading titled "*Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on September 30, 2022*" in this chapter, no Equity Shares held by our Promoters or Promoter Group have been locked-in, pledged or encumbered as of the date of this Draft Letter of Offer.

3. Except as disclosed below, no Equity Shares have been acquired by our Promoters or members of the Promoter Group in the last one year immediately preceding the date of this Draft Letter of Offer:

Name of the Promoter / member of the Promoter Group	Date of the transaction	Number of Equity Shares acquired	Price per Equity Share (in ₹)	Nature of transaction
Promoter and promoter group				
NIL	NIL	NIL	NIL	NIL

4. **Intention and extent of participation by our Promoters and Promoter Group**

   Our Promoters, *viz*, Shrinivas Vasudeva Dempo and V. S. Dempo Holdings Private Limited, by way of their letters dated December 23, 2022, have confirmed that they along with the members of Promoter Group of our Company, intend to subscribe, jointly and/ or severally, to the full extent of their Rights Entitlements (including through subscription of any Rights Entitlements renounced in their favour by any Promoter and the member of Promoter Group of our Company). Further, our Promoters and Promoter Group also reserve the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and Promoter Group, over and above their Rights Entitlements, as applicable, shall not result in a change of control of the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

5. The ex-rights price of the Equity Shares, as computed in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●] per Equity Share.

6. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares outstanding as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

7. At any given time, there shall be only one denomination of the Equity Shares.

8. **Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital**

The details of shareholders of our Company holding more than 1% of the issued and paid-up Equity Share capital of our Company, as on September 30, 2022 are available at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=509567&qtrid=113.00&QtrName=September%202022 and https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GOACARBON&tabIndex=equity.

9. **Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:**

a. The shareholding pattern of our Company as on September 30, 2022 can be accessed on the website of the BSE at: https://www.bseindia.com/stock-share-price/goa-carbon-ltd/goacarbon/509567/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GOACARBON&tabIndex=equity.

b. The statement showing holding of Equity Shares of persons belonging to the category "*Promoter and Promoter Group*" including the details of lock-in, pledge of and encumbrance thereon, as on September 30, 2022, can be accessed on the website of the BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=509567&qtrid=113.00&QtrName=September%202022 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GOACARBON&tabIndex=equity.

c. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2022, as well as details of shares which remain unclaimed for public, can be accessed on the website of the BSE, at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=509567&qtrid=113.00&QtrName=September%202022 and https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GOACARBON&tabIndex=equity.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

1. Funding incremental working capital requirements of our Company; and

2. General corporate purposes.

(Collectively, referred to herein as the "**Objects**").

The main objects and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing business activities.

Issue Proceeds and Net Proceeds

The details of the Issue Proceeds are set forth in the table below:

(in ₹ Lakhs)

Particulars	Amount
Gross Proceeds from this Issue*	Up to 20,000
Less: Estimated Issue related expenses**	[●]
Net Proceeds	[●]

**Assuming full subscription and Allotment of the Rights Equity Shares.*
***See "Estimated Issue related expenses" on page 47 below*

Requirement of funds and utilisation of Net Proceeds

The proposed utilization of the Net Proceeds by our Company is set forth in the table below:

(in ₹ Lakhs)

Particulars	Amount
Funding incremental working capital requirements of our Company	16,000.00
General corporate purposes*	[●]
Total Net Proceeds**	[●]

**Subject to the finalization of the Basis of Allotment and the Allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
***Assuming full subscription and Allotment of the Rights Equity Shares.*

There are no material existing or anticipated transactions in relation to utilization of Net Proceeds between us and our Promoters, Directors, or our key managerial personnel.

Proposed Schedule of implementation and deployment of funds

(in ₹ Lakhs)

Particulars	Amount proposed to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds in Fiscal 2023	Proposed schedule for deployment of the Net Proceeds in Fiscal 2024
Funding incremental working capital requirements of our Company	16,000.00	16,000.00	-
General corporate purposes*	[●]	[●]	[●]
Total**	[●]	[●]	[●]

**Subject to the finalization of the Basis of Allotment and the Allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
***Assuming full subscription and Allotment of the Rights Equity Shares*.

The above stated fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements, and deployment from time to time on account of various factors such as economic and business conditions, increased competition and other external factors which may not be within our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law.

In the event of any shortfall of funds for any of the Object proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the Object where such shortfall has arisen, subject to availability of funds and compliance with applicable laws. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including funding other existing Objects, if required and will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purpose will not exceed 25% of the Gross Proceeds from the Issue.

Means of Finance

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Details of the objects of this Issue

The details in relation to objects of this Issue are set forth herein below.

1. Funding incremental working capital requirements of our Company

Our Company's business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business by availing fund based as well as non-fund based facilities from the consortium banks apart from our internal accruals and equity. As on September 30, 2022, the outstanding amount under the fund based and non-fund based working capital facilities of our Company was ₹ 10,146.47 Lakhs and ₹ 31,340.64 Lakhs, respectively. Our Company requires working capital primarily for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

Basis of estimation of incremental working capital requirement

We propose to utilise ₹ 16,000.00 Lakhs from the Net Proceeds to fund the long-term working capital requirements of our Company in Fiscal 2023. The balance portion of our long-term working capital requirement is proposed to arranged from existing equity, internal accruals and borrowings from banks and financial institutions.

The details of our Company's working capital as at September 30, 2022, Fiscal 2022 and Fiscal 2021 and the source of funding, derived from the Audited Financial Statements, are provided in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	As at September 30, 2022	Fiscal 2022	Fiscal 2021
A.	**Current Assets**			
	Trade receivables	15,122.88	2,822.54	6,439.84
	Inventories	22,193.41	14,690.24	10,525.11
	Cash and cash equivalents	11.33	1,123.66	0.47
	Bank margin money deposits	25,178.30	16,811.06	2,773.03
	Other financial and current assets	2,654.30	2,442.30	2,118.74
	Total Current Assets (A)	**65,160.22**	**37,889.80**	**21,857.19**
B.	**Current Liabilities**			
	Trade payables*	17,576.39	6,198.64	15,280.82
	Other financial and current liabilities	2,461.13	746.66	601.63
	Provisions	108.92	74.38	54.04

Sr. No.	Particulars	As at September 30, 2022	Fiscal 2022	Fiscal 2021
	Total Current Liabilities (B)	**20,146.44**	**7,019.68**	**15,936.49**
C.	**Net working capital (A-B)**	**45,013.78**	**30,870.12**	**5,920.70**
D.	**Existing funding pattern**			
	Borrowings from banks, financial institutions and non-banking financial companies*	33,233.74	23,077.74	3,094.46
	Internal accruals**	11,780.04	7,792.38	2,826.24
	Total Means of Finance	**45,013.78**	**30,870.12**	**5,920.70**

Note: Pursuant to the certificate dated December 23, 2022, issued by the Independent Chartered Accountants.
** Suppliers credit of ₹ 15,025.32 Lakhs as on September 30, 2022, ₹ 3,209.61 Lakhs as on March 31, 2022, ₹ 13,182.35 Lakhs as on March 31, 2021 availed based on the Letter of Credit opened is not included as part of short term borrowings but is included as part of Trade Payables.*
*** Balancing figure*

On the basis of our existing and estimated working capital requirements, our Rights Issue Committee, pursuant to their resolution dated December 23, 2022, has approved the business plan for the, Fiscal 2023 and the estimated working capital requirements for Fiscal 2024 as stated below:

(₹ in Lakhs)

Sr. No.	Particulars	Fiscal 2023	Fiscal 2024
A.	**Current Assets**		
	Trade receivable	8,662.50	9,095.63
	Inventories	45,560.11	47,743.12
	Cash and cash equivalents	2,000.00	2,000.00
	Bank margin money deposits	14,000.00	14,000.00
	Other financial and current assets	2,510.00	2,520.00
	Total Current Assets (A)	**72,732.61**	**75,358.75**
B.	**Current Liabilities**		
	Trade payables^	1,500.00	1,700.00
	Other financial and current liabilities	900.00	1,000.00
	Provisions	95.00	95.00
	Total Current Liabilities (B)	**2,495.00**	**2,795.00**
C.	**Net working capital (A-B)**	**70,237.61**	**72,563.75**
D.	**Source of Finance**		
	Borrowings from banks, financial institutions and non-banking financial companies*	40,000.00	40,000.00
	Internal accruals and equity**	14,237.61	32,563.75
	Proceeds from the Issue	16,000.00	-
	Total Source of Finance	**70,237.61**	**72,563.75**

Note: Pursuant to the certificate dated December 23, 2022, issued by the Independent Chartered Accountants.
** Existing limit sanctioned ₹ 20,000 Lakhs, the Company has already applied for additional funding of ₹ 20,000 Lakhs.*
***Balancing figure*
^In the previous years, the Company availed of suppliers' credit against the letter of credit facilities with banks. In the current year and the following year, the Company intends to avail buyers' credit facilities from overseas banks.

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the Audited Financial Information for Fiscal 2022 and Fiscal 2021,, the projections for, Fiscal 2023 and Fiscal 2024 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors

Sr. No.	Particulars	Number of days for the period/ Fiscal ended			
		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
1.	**Inventories**				
	Raw material	70	53	53	63
	Finished goods	50	23	27	33
	Stores and spares	NA	NA	NA	NA
2.	Trade receivables	38	28	25	22
3.	Loans and advances and other current assets	NA	NA	NA	NA
4.	Trade payables	NA	NA	NA	NA
5.	Other current liabilities and provisions	NA	NA	NA	NA

Note: Pursuant to the certificate dated December 23, 2022, issued by the Independent Chartered Accountants.

Key assumptions for working capital projection made by our Company:

Sr. No.	Particulars	Assumptions
1.	Inventories	As the Company imports significant quantities of RPC from overseas, the Company should keep minimum raw material of 60 days, finished goods around 30 days.
2.	Trade Receivables	The transit period from the plant to smelters approximately takes 1-2 weeks with a credit period of 15 days.
3.	Trade Payables	Major purchases comprising raw materials are against Buyers credit and therefore credit period is not applicable.

Note: Pursuant to the certificate dated December 23, 2022, issued by the Independent Chartered Accountants.

The aforementioned working capital estimates and projections have been approved by the Rights Issue Committee through their resolution dated December 23, 2022.

2. General corporate purposes

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to ₹ [●] Lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds in compliance with the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, (i) funding growth opportunities, including strategic initiatives; (ii) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (iii) meeting of exigencies which our Company may face in the course of any business; (iv) expenses incurred in ordinary course of business; and (v) any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of our Board, shall have the flexibility in utilising surplus amounts, if any.

Estimated Issue-related expenses

The total expenses of this Issue are estimated to be ₹[●] Lakhs. The break-up of the Issue expenses is as follows:

(unless otherwise specified, in ₹ Lakhs)

S. No.	Particulars	Amount	Percentage of total estimated Issue expenditure (%)	Percentage of Issue Size (%)#
1.	Fee of the Lead Manager	[●]	[●]	[●]
2.	Fee of the Registrar to the Issue	[●]	[●]	[●]
3.	Fee to the legal advisors, other professional service providers and statutory fee	[●]	[●]	[●]
4.	Advertising, marketing expenses, shareholder outreach, *etc.*	[●]	[●]	[●]
5.	Fees payable to regulators, including depositories, Stock Exchanges and SEBI	[●]	[●]	[●]
6.	Printing and distribution of issue stationery	[●]	[●]	[●]
7.	Other expenses (including miscellaneous expenses and stamp duty)	[●]	[●]	[●]
Total estimated Issue related expenses*^		[●]	[●]	[●]

** Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.*

^ Excluding taxes

 # Assuming full subscription.

Bridge financing facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily keep the Net Proceeds in deposits in one or more scheduled commercial banks (as included in the second schedule to the Reserve Bank of India Act, 1934) or in any such other manner as permitted under the SEBI ICDR Regulations. We confirm that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not utilise the Net Proceeds for any investment in the equity markets, real estate or related products.

Monitoring utilization of funds from the Issue

In terms of the SEBI ICDR Regulations, our Company has appointed [●] as the Monitoring Agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 18(3) and 32(3) of SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the Net Proceeds. The quarterly report submitted by the Monitoring Agency will be placed before the Audit Committee of our Company, so as to enable the Audit Committee to make appropriate recommendations to our Board. Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the objects of the Issue as stated in this chapter; and (ii) details of category wise variations, if any, in the proposed utilization of the proceeds of the Issue from the objects of the Issue as stated above.

Furthermore, our Company shall furnish to the Stock Exchange any comments or report received from the Monitoring Agency, in accordance with Regulation 32(6) of the SEBI Listing Regulations, and such report of the Monitoring Agency shall be placed before the Audit Committee promptly upon its receipt, in accordance with Regulation 32(7) of the SEBI Listing Regulations.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

Strategic or financial partners

There are no strategic or financial partners to the objects of the Issue.

Key Industry Regulations for the Objects of the Issue

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Interest of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue

No part of the proceeds of this Issue will be paid by our Company to our Promoters, the members of our Promoter Group, or our Directors.

Government approvals

There are no material pending government or regulatory approvals pertaining to the objects of the Issue.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Goa Carbon Limited
Dempo House, Campal
Panaji, Goa - 403001

Date: 22 December 2022

Subject: Statement of possible special tax benefits (the "Statement") available to Goa Carbon Limited (the "Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part B - Clause (VIII) (M) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations")

This report is issued in accordance with the terms of our Engagement Letter dated 21 October 2022.
We hereby report that the enclosed Annexure I and Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special-tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue of equity shares on a rights basis of the Company (the "**Proposed Issue**") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or

ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Certificate, except as per applicable law.

We hereby give consent to include this Report in the Draft Letter of Offer ("DLOF"), Letter of Offer ("LOF") and Abridged Letter of Offer ("ALOF") and in any other material used in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No: 113896
UDIN: 22113896BFXGUH6442

Place: Pune
Date: 22 December 2022

ANNEXURE I
LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
6.	The Foreign Trade Policy 2015-2020

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS ("TAX LAWS") IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. *Special tax benefits available to the Company*

There are no special tax benefits available to the Company under the Tax Laws.

B. *Special tax benefits available to Shareholders*

There are no special tax benefits available to the Shareholders under the Tax Laws.

NOTES:

1. The above is as per the current tax laws**, as amended by the Finance Act, 2022**.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only andis not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information tothe investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her owntax consultant with respect to the specific tax implications arising out of their participation in the issue
6. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable double taxation avoidance agreement, if any, between India and the country inwhich the non-resident has fiscal domicile.

SECTION IV: ABOUT OUR COMPANY

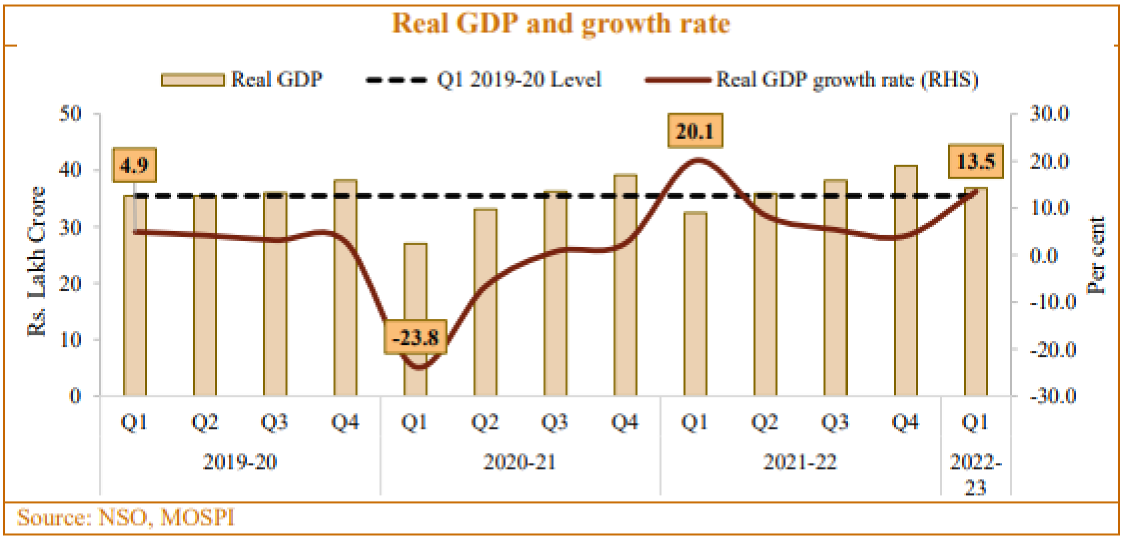
DETAILS OF BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 16, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 72 and 132, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statement.

A. <u>INDUSTRY OVERVIEW</u>

Indian Economic Outlook

After recovering from multiple waves of COVID-1 and the negative spill over of the Russia - Ukraine conflict, strong economic growth in Q1 of 2022-23 has helped India surpass the UK to become the world's fifth-largest economy. The real GDP in Q1 of 2022-23 is now nearly 4 per cent ahead of its corresponding level of 2019-20, marking a solid beginning for India's growth revival in the post-pandemic phase. The contact-intensive services sector will likely drive growth in 2022-23, building on the release of pent-up demand and near universalisation of vaccination. A sharply rebounding private consumption backed by soaring consumer sentiments, rising employment will sustain growth in the months ahead.



An increase in private consumption and higher capacity utilisation in the current year has further reinvigorated the Capex cycle to take the investment rate in Q1 of 2022-23 to one of its highest levels in the last decade. Capital expenditure by the government, higher by 35 per cent up to August 2022 than the previous year's, has helped crowd in private investment. The government's spending on capital expenditure is likely to be sustained as buoyancy in revenue growth is expected to remain undiminished in the balance period of the current year.

Broad-based growth in economic activity during Q1 of 2022-23 is reflected in improvements in employment indicators. Net payroll additions in EPFO doubled this quarter compared to the corresponding period last year. The Periodic Labour Force Survey (PLFS) shows the unemployment rate in urban areas shrank for the fourth consecutive quarter to be at 7.6 per cent in Q1 of 2022-23, lower than the corresponding pre-pandemic level. Work demanded under MGNREGS has been diminishing since May and was at its lowest in August 2022, compared to the corresponding period of the previous two years, signalling a possible reduction in the unemployment rate in rural areas.

India, during Q1 of 2022, was the 5th largest recipient of foreign direct investment. India's exports grew at the second highest rate this quarter despite the ongoing global slowdown. India's forex reserves were the 3rd largest compared to other economies, adequate to cover nine months of imports, which is higher than most other economies. Ample foreign exchange reserves, sustained foreign direct investment, and strong export earnings have provided a reasonable buffer against the monetary policy normalisation in advanced economies and the widening of the current account deficit arising from the geopolitical conflict.(*Source:IBEF; https://www.ibef.org/economy/monthly-economic-report; https://www.ibef.org/download/1664786994_Monthly-Economic-Review-August%202022_3.pdf*)

Indian CPC Industry

Calcined petroleum coke (CPC) is one of the major raw materials for the Aluminium Industry. Like any other raw material, it plays a significant role in the aluminium production process. CPC is used for fabrication of anodes used in the aluminium electrolysis process. Calcined Petroleum Coke (CPC) has been in use for more than 120 years to produce the carbon anodes used in the Hall-Heroult Aluminium electrolysis process. Performance of the anodes in the aluminium electrolysis process depends on many properties of CPC.

Raw Petroleum Coke to Calcined Petroleum Coke

Raw petroleum coke is calcined to remove excess water and volatile matter in rotary kilns or shaft kilns. Rotary kilns are most widely used for economic reasons. Calcination temps are between (1250-1400) °C. The calcined coke leaving the kiln is discharged into a rotary cooler, where it is quenched with direct water spray at the inlet and then cooled by a stream of ambient air. The calcining operation can have an important influence on coke quality. Cokes with significantly different volatile contents (quality and quantity) and impurity levels should be calcined differently.

CPC is the product from calcining petroleum coke. This coke is the product of the coker unit in a crude oil refinery. The calcined petroleum coke is used to make anodes for the aluminium, steel and titanium smelting industry. The green coke must have sufficiently low metal content to be used as anode material. Green coke with this low metal content is called anode-grade coke. When green coke has excessive metal content, it is not calcined and is used as fuel-grade coke in furnaces.

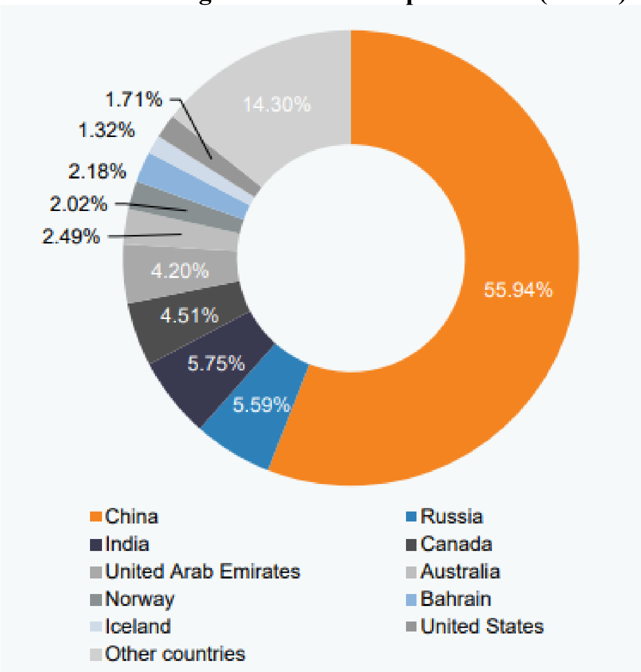
Extensive research is taking place since more than 30 years to find an alternative to this material. It is known that though considerable progress has been made in finding right kind of materials for making inert anodes, it may take many years to address the impending problems associated with fabrication and use of inert anodes. Hence, today more focus is required on the carbon anodes made out of CPC & coal tar pitch (CTP) for continual improvement of performance of the electrolytic pots producing aluminium metal.

Some of the prominent companies in CPC manufacturing in India, besides Goa Carbon Ltd., are Atha Group, Rain Industries Limited, Sanvira Industries Limited, Graphite India Limited, India Carbon Ltd. etc.

Indian Aluminium Industry

The Indian primary Aluminium industry consists of three major players i.e. National Aluminium Company Limited (NALCO), Hindalco Industries and Vedanta Ltd., having a total production capacity of 4.1 million tonnes. During 2020-21, the total domestic sales of primary metal by the major primary producers, i.e., NALCO, Hindalco and Vedanta was 1.35 million tonnes, which is likely to grow to 1.53 million tonnes during the current fiscal, as per current trend. *(Source: https://mines.gov.in/writereaddata/UploadFile/Mines_AR_2021-22_English.pdf)*

India's share in global aluminium production (2019E)



India was the fourth-largest producer of aluminium in the world. The principal user segment in India for aluminium continues to be electrical and electronics sector followed by automotive and transportation, building, construction, packaging, consumer durables, industrial and defence. Over the course of the last four years, India's aluminium production capacity has increased to 4.1 MMTPA, driven by investment worth Rs. 1.2 lakh crore (US$ 18.54 billion). *(Source: https://www.ibef.org/download/1665992294_Metals-and-Mining-August-2022.pdf)*

The growth of global aluminium market is driven by development in the transport industry, advancements in aluminium manufacturing technologies and processing equipment, and increase in usage of aluminium in various industries such as building & construction and foil & packaging. Asia-Pacific is the leading region, in terms of growth, due to massive urbanization, growth in income of people living in urban areas, and rapid industrial development. In addition, continuous advancements in transport industry and ongoing R&D activities to develop innovative, more effective and cheaper aluminium products fuel the growth of the market. Growth in demand from emerging economies such as China & India and increase in use of recycled aluminium products globally provides lucrative opportunities for the market expansion.

Aluminium is the sixth most ductile and second most malleable metal present on earth. It is exceptionally light, is impervious to dust, possesses high degree of conductivity, and exhibits significant strength when alloyed. It is nontoxic in nature, preserves food for prolonged times and inhibits growth of microorganisms. Aluminium is good electrical conductor and thus is used frequently in electrical transmission lines. In addition, it is used as primary propellant for solid rocket booster motor in space shuttle due to its high volumetric energy density. Corrosion resistance, reflectivity and recyclability are other characteristics of Aluminium, which makes it a favourable choice for various industrial applications. *(Source: https://mines.gov.in/writereaddata/UploadFile/Mines_AR_2021-22_English.pdf)*

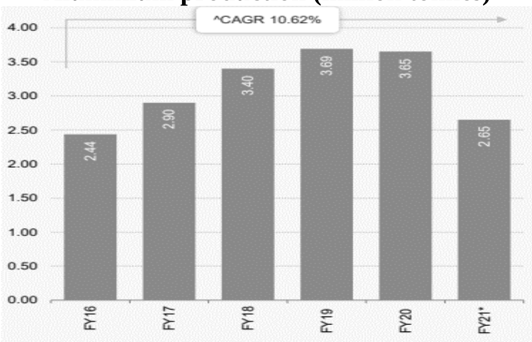
After Covid-induced lockdowns across the world witnessed during the previous year, which led to sharp decline in demand and prices of Aluminium metal, FY 2021- 22 symbolizes global recovery of Aluminium industry. With administration of Covid vaccines and the reduction in infection rates, aluminium consuming industries resumed operations to pre-Covid levels. This boosted demand and drove consumption. Aluminium prices also touched multi-year highs during the year and enhanced profitability of Aluminium producers globally.

The domestic Aluminium industry, which was severely hit by the pandemic during FY 2020-21, has shown signs of recovery during the current fiscal. Domestic aluminium producers, who had to register high export volumes last year in the absence of sizeable domestic demand, managed to enhance their domestic sales during the current year. However, full recovery in the automobiles sector, which is one of the major aluminium consuming sectors, could not be achieved due to the ensuing semiconductor/chip shortage, which has forced auto makers to operate well below their production capacity and has partially subdued the opportunities presented by the rejuvenated domestic demand. *(Source: https://mines.gov.in/writereaddata/UploadFile/Mines_AR_2021-22_English.pdf)*

Demand for aluminium is expected to pick up as the scenario improves for user industries like power, infrastructure and transportation. Aluminium export from the country reached 1.50 million tonnes in FY19 and 0.52 million tonnes in FY20. Production of aluminium stood at 3.65 million tonnes in FY20. In value terms, aluminium export from the country stood at US$ 20.18 million in FY20.

In May 2021, Vedanta Ltd. announced its plan to invest Rs.10,000 crore (US$ 1.34 billion) in setting up an aluminium park in Odisha to facilitate companies that use metal to set up their manufacturing units in the facility. In January 2021, the National Aluminium Company (NALCO) announced that it would invest ~Rs. 30,000 crore (US$ 4,102.51 million) by 2027-28 in capacity expansion and diversification. *(Source: https://www.ibef.org/download/1665992294_Metals-and-Mining-August-2022.pdf)*

Aluminium production (million tonnes)

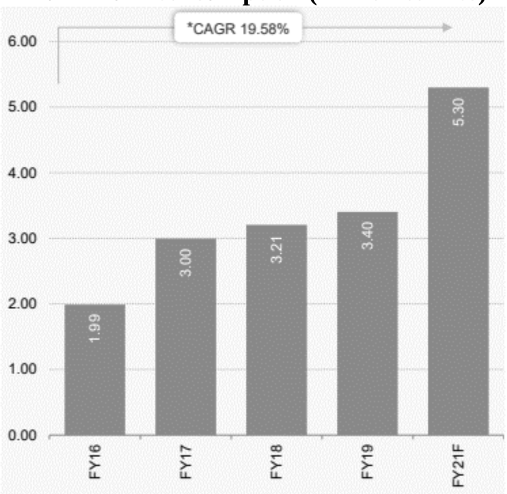


**Upto December 2020*

(Source: https://www.ibef.org/download/1665992294_Metals-and-Mining-August-2022.pdf)

Aluminium consumption in India is 2.5 kgs per capita. Aluminium consumption reached 3.40 million tonnes in FY19 and is expected to reach 7.2 million tonnes in the next five years.

Aluminium consumption (million tonnes)



(Source: https://www.ibef.org/download/1665992294_Metals-and-Mining-August-2022.pdf)

B. <u>OUR BUSINESS</u>

OVERVIEW

We are a flagship manufacturing company of Dempo Group engaged in the business of manufacturing and marketing calcined petroleum coke ("**CPC**"). Our business model is fundamentally a B2B model wherein we supply our product, CPC, primarily to aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specifications. We sell our product to our customers located at Odisha, Madhya Pradesh and Uttar Pradesh etc.

We currently operate three (3) manufacturing plants each located at (i) Salcete, Goa ("**Plant I**"); (ii) Bilaspur, Chhattisgarh ("**Plant II**"); and (iii) Paradeep, Odisha *(formerly Orissa)* ("**Plant III**" together with Plant I and Plant II referred to as "**Manufacturing Plant(s)**"). For the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, the aggregate installed capacity of the manufacturing units was 3,08,000 metric tons (comprising of intermediate and final products) and produced 79,894 metric tons, 180,982 metric tons and 1,45,068 metric tons of Calcined Petroleum Coke, respectively. Our Plant I has an installed capacity of 1,00,000 metric tons per annum, our Plant II has an installed capacity of 40,000 metric tons per annum and Plant III has an installed capacity of 1,68,000 metric tons per annum *(Certified by, Chartered Engineer Sawkar Associates, having registration no. M52274 vide its certificate dated November 21, 2022)* Our Manufacturing Plants are strategically located close to the Paradeep and Goa port which puts our Company in more strategic and operational advantageous position which facilitates on time deliveries and improved efficiencies. This fully integrated environment and well-defined processes provide us competitive advantages in terms of maintenance of quality.

Our Plant I located at Goa is located in close vicinity of our customer and India's leading aluminum manufacturing company which gives us an operationally advantageous position. Our Plant II in Bilaspur is located very close to steel and aluminum plants and foundries of our customers which facilitates on time deliveries and improved efficiencies. Our Plant III is located on the east coast catering to India's leading integrated aluminum smelter. Additionally, our Plant I and Plant II are in the close vicinity of the Goa and Paradeep port, respectively, which puts us in an advantageous position for procurement of raw materials from overseas market. The aluminum smelters prefer to buy CPC directly from calciners and discourage purchase of CPC through traders. All our Manufacturing Plants are equipped with plant and machinery capable of providing quality CPC and have received quality control certification such as ISO 9001:2015 and ISO 14001:2015 for manufacturing and dispatch of calcined petroleum coke from raw petroleum coke.

In Fiscal 2022, our CPC production increased to 1,80,982 metric tonnes as against 1,45,068 metric tonnes in Fiscal 2021. We sold 1,79,990 metric tonnes of CPC to our customers in Fiscal 2022, as against 1,56,018 metric tonnes of CPC in Fiscal 2021. In Fiscal 2022 and six months ended September 30, 2022, over 94.26% and 96.44%, respectively, of our CPC sales (in metric tonnes) were made to Aluminum smelters. Our customers are amongst the leading aluminum and metal manufacturing companies in India and the World. For the half year ended September 30, 2022, our top 5 customers contribute to 98.16 % of our revenue from operations. As on December 6, 2022, our Company has an order book of ₹21,166.87 Lakhs with customers of Aluminum smelters.

Our operations are subject to environmental laws and regulations, which govern, among other things, the handling, storage and by products as well as employee health and safety. Further, our Company has quality and environmental policy on April 1, 2018, January 7, 2022 and August 16, 2017 for our Plant I, Plant II and Plant III, respectively, wherein our Company ensure, *inter alia*, to comply with legal and statutory obligations and company commitment relate to environmental aspects, monitor the environmental performance through regular audits and create awareness of environmental responsibilities and access suitable training. Our growth is further driven by our ability to make available an assortment of quality product over 44 years for manufacturing and marketing of CPC.

We believe that our financial performance is expected to improve further with the continuing restrictions on the import of CPC by the aluminium smelters which is capped by the Supreme Court of India *vide* its order dated October 9, 2018 at 0.50 million tonnes per annum. Hence, the additional requirement of aluminium smelters will have to be met from domestic supplies within India.

Our Company is led by our experienced senior management and promoters. We believe that our management's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences.

Our Financial Performance

Our financial performance, are summarised below:

(₹ in Lakhs)

Particulars	For six months ended September 30, 2022 (Unaudited)	Fiscal 2022 (Audited)	Fiscal 2021 (Audited)
Revenue from operations (net)	63,156.55	76,611.65	35,278.59
EBITDA*	8,648.91	5,922.75	688.47

Particulars	For six months ended September 30, 2022 (Unaudited)	Fiscal	
		2022 (Audited)	2021 (Audited)
Profit/(Loss) for the period	4,987.69	3,777.93	(481.20)

**EBITDA comprises of earnings before interest, tax, depreciation and amortization.*

KEY STRENGTHS

Our competitive Strengths are as follows:

Established market presence and relationship with our customers leading to recurring revenues and repeat orders

We have established strong customer relations during our 44 years of operations and we believe that our extensive history, market position, and quality product have led to wide recognition of our product, which has enabled us to procure repeat orders from our existing customers and also target new customers and customer segments which help to increase the scale of our operations. Our top 5 customers contributed revenues of ₹61,969.63 Lakhs, ₹74,243.62 Lakhs and ₹32,287.35 Lakhs for the six months period ended September 30, 2022, Fiscals 2022 and 2021, respectively and accounted for 98.16% 96.97% and 91.58%, respectively of our revenues from operations for the same period. Further, we have been able to develop long-standing relationships with our customers, including leading manufacturers of aluminum and steel. Our Company manages our customers through a sales and marketing team, who aid the distribution process and are primarily engaged in procuring orders and collections.

Strategically located Manufacturing Plants

We believe that the strategically located manufacturing plants allows us to achieve greater economies of scale and cost efficiencies, reduce logistics cost and manage product flow. This also helps us in procuring repeat orders from our existing customers. We currently have three (3) strategically located Manufacturing Plants in close proximity to the ports of Paradeep and Goa which ensures that we have ready access to port facilities and are able expediently to import our raw materials thereby providing us with a cost and logistical advantage. Further, due to the voluminous nature of our product, transportation cost is a critical aspect. Our Manufacturing Plants are well connected by national and state highways and railways which enable us to transport the finished products in a cost and time effective manner to our customers. For the six months period ended September 30, 2022, Fiscals 2022 and 2021, the cost of materials consumed were ₹50,967.63 Lakhs, ₹67,225.56 Lakhs and ₹28,460.51 Lakhs, respectively and accounted for 80.33%, 87.46% and 80.52%, of our total income for the same period.

Robust infrastructure which helps to achieve cost optimization

We have implemented robust systems and practices to monitor, control and improve our operational processes. We believe that our commitment towards achieving growth through process-oriented systems is reflected in the fact that we have received, and currently hold, a quality and environment management system certificates, including ISO 9001:2015 and ISO 140001:2015 for all our Manufacturing Plants. We are committed to maintaining quality standards at each step of our sourcing cycle. Our products go through stringent quality control and quality assurance measures with an emphasis on continual improvement. We believe that the quality of our Manufacturing Plants has allowed us to manufacture product that meets the specifications of our customer's demand, which has allowed us to compete effectively and grow our business.

Strong promoters and experienced management team

Our Company is led by a Board of Directors and senior management team who are expertise in the CPC industry. Our management team is led by our Chairman Shrinivas Vasudeva Dempo and the Whole Time Director Anupam Mishra who has several years of experience in the chemical industry. Our management team have also been instrumental and responsible in executing our expansion and acquisition strategy with success. We believe that our management team's experience and business acumen have helped us drive our growth and operating performance and we believe will continue to do so in the future.

KEY STRATEGIES

Our key business strategies include:

Strengthening the working capital requirements

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business by availing fund bases as well as non-fund based facilities from the consortium banks apart from our internal accruals and equity. As on September 30, 2022, the outstanding amount under the fund based and non-fund based working capital facilities of our Company was ₹ 10,146.47 Lakhs and ₹ 31,340.64 Lakhs, respectively. Our Company intends to strengthen its working capital requirements due to the constant increase in the prices of the raw material that is required for the manufacturing of CPC. We believe that this will help in the future growth requirements of our Company. For further details, see "*Object of the Issue*" on page 44

Explore inorganic growth Increase in capacity through acquisition in inorganic manner

We intend to pursue inorganic growth opportunities through selective strategic acquisitions to complement the scale of our operations, increase our capacity and growth in recent periods. As part of our foray into the CPC segment, we intend to pursue strategic acquisitions and investments within the CPC sector that are complementary to our current and future business segments. We believe that these will allow us to complement our existing marketing approach, expand into newer geographies and increase the capacity of production. Our extensive industry experience and insights enables us to identify suitable target companies for acquisition and effectively evaluate and execute potential opportunities. Our senior management along with external experts evaluate potential inorganic opportunities and assists us in evaluating each potential acquisition in determining how their business model and how both the companies can mutually benefit from such potential investments or acquisitions.

Strategic tie-up with international refineries for procurement of raw material in long term contract basis at competitive rates

The key raw material for manufacturing CPC is raw petroleum coke. Presently, our Company has not entered into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or open market. However due to the constant increase the prices of raw materials, our Company intends to enter in to strategic tie-up with international refineries on long term basis for procurement of raw material at competitive rates. This will help us to de-risks the price volatility caused by various factors such as commodity market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. This will also help our Company in (i) manufacturing and supply of high quality CPC at a competitive price; (ii) increasing our profitability; and (iii) the future growth of our Company.

Continue to strengthen our financial position

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. This will help us in providing a valuable competitive advantage in the industry which we operate, with access to financing, which are factors critical to our business. For further details on a comparative analysis of our financial position and revenue from operations, see the "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 132.

Continued focus on cost optimization and improving operational efficiency

We intend to undertake a number of strategic initiatives that will allow us to benefit from economies of scale and improve process efficiency in our manufacturing process. Continued access to high-quality raw materials is crucial to our ability to produce high-quality CPC. While we believe that our current procurement arrangements allow us to have access to high-quality raw materials at competitive prices, we intend to continue to focus on achieving raw material security by evaluating prospects that will provide us with access to high quality raw material in locations closer to our Manufacturing Plants. We believe our focus on developing cost-reduction strategies and implementing more sustainable methods in our operations will enable us to maintain our cost leadership position

We will continuously seek to attain operational excellence in our manufacturing process by having a control on production and ensuring premium quality of our product. The quality management system adopted by us at our Manufacturing Plants ISO 9001:2015 and ISO 14001:2015 for manufacturing and dispatch of calcined petroleum coke from raw petroleum coke. We will continue to evaluate best practices in our industry and adopt the practices best suited to our Company.

LOCATION OF OUR BUSINESS

- ***Registered Office***

Our registered and corporate office is located at Dempo House, Campal, Panaji, Goa – 403 001, India. Our registered and corporate office is availed by our Company on leave and license basis.

- ***Properties***

Our other properties are located at below mentioned addresses:

Sr. No.	Address	Description	Purpose for which the property is utilised	Property type
Manufacturing Plants				
1.	**Plant I** – St. Jose De Areal, Salcete, Goa – 403 709, India	Manufacturing plant	Manufacturing of CPC	Owned
2.	**Plant II –** 34-40, Sector B, Sirigiti Industrial Area, Bilaspur – 495 004, Chhattisgarh, India	Manufacturing plant	Manufacturing of CPC	Lease
3.	**Plant III** – Village Udayabata, P.O. Paradeepgarh, District Jagatsinghpur, Odisha – 754 142, India	Manufacturing plant	Manufacturing of CPC	Lease
Residential Premises				
4.	Flat No. 13, 3rd floor, Lotlikar Building, Comba, Margao, Goa, India	Residential premises	Residential property for use of officers & employees	Owned
5.	Flat No. 14, 3rd floor, Lotlikar Building, Comba, Margao, Goa, India	Residential premises	Residential property for use of officers & employees	Owned
6.	Flat No. 304, 3rd floor, Yashodhan Building, Tonca, Panaji, Goa, India	Residential premises	Residential property for use of officers & employees	Owned

PLANT MACHINERY AND TECHNOLOGY

We have set up integrated Manufacturing Plants which give us the flexibility to produce CPC in a short span of time and scale-up to meet the demands of our customers. Our Manufacturing Plant is fully integrated facility with processes starting from procurement of raw materials, stringent quality checks, pre-delivery inspection and final dispatch. Our integrated Manufacturing Plants provide us competitive advantages in terms of maintaining quality and effectiveness of the product we manufacture. Our manufacturing facility is certified with ISO 9001:2015 and ISO 140001:2015 for all our Manufacturing Plants.

Below mentioned are certain images of our manufacturing plant:

Location of the Manufacturing Plants	Images
Plant I – St. Jose De Areal, Salcete, Goa – 403 709, India	
	
Plant II – 34-40, Sector B, Sirigiti Industrial Area, Bilaspur – 495 004, Chhattisgarh, India	

Location of the Manufacturing Plants	Images
	
Plant III – Village Udayabata, P.O. Paradeepgarh, District Jagatsinghpur, Odisha – 754 142, India	 

EXISTING INSTALLED CAPACITY

The following table provides details of our installed capacity and extent of utilization in metric tonnes:

Product	Annual Installed Capacity			Actual Production			Capacity utilization (%)		
	As on September 30, 2022	FY2022	FY2021	As on September 30, 2022	FY2022	FY2021	For the six months ended September 30, 2022*	FY2022	FY2021
St. Jose de Areal, Salcete, Goa									
Calcined Petroleum Coke	1,00,000 MT	1,00,000 MT	1,00,000 MT	22,024 MT	59,382 MT	40,823 MT	44 %	59 %	41 %
Sirgitti Industrial Area, Bilaspur, Chhattisgarh									
Calcined Petroleum Coke	40,000 MT	40,000 MT	40,000 MT	11,102 MT	23,742 MT	16,203 MT	56 %	59 %	41 %
Udayabata, Jagatsinghpur, Paradeep, Odisha									
Calcined Petroleum Coke	1,68,000 MT	1,68,000 MT	1,68,000 MT	41,858 MT	97,858 MT	88,042 MT	50 %	58 %	52 %
TOTAL	**3,08,000 MT**	**3,08,000 MT**	**3,08,000 MT**	**74,984 MT**	**1,80,982 MT**	**1,45,068 MT**	49 %	**59 %**	**47 %**

Note:
**Capacity utilization for the six month period ended 30th September, 2022 based on the proportionate installed capacity for the period April 1, 2022 to September 30, 2022 as follows: St. Jose de Areal, Salcete, Goa: 50,000MT; Sirgitti Industrial Area, Bilaspur, Chhattisgarh: 20,000MT; Udayabata, Jagatsinghpur, Paradeep, Odisha: 84,000MT totaling to 1,54,000MT*

Certified by Sawkar Associates, Chartered Engineer, having registration no. M52274 vide its certificate dated November 21, 2022.

DESCRIPTION OF OUR BUSINESS

Our Product

CPC is produced from raw petroleum coke, a granular black solid that is a by-product of the crude-oil refining process, as a feedstock, through a process known as “calcining”. This process removes moisture and volatile matter from the raw petroleum coke at a very high temperature.

The above picture is a picture of our product CPC

CPC is produced in two primary qualities:
(i) anode-grade CPC (a raw material essential to the aluminum smelting process), and
(ii) industrial-grade CPC (for use in the manufacturing of titanium dioxide and other industrial applications).

It is an important industrial input for the aluminum smelters, steel manufacturers, and few other customers The quality of CPC directly influences anode quality in the performance of aluminum smelters. There are no known commercially viable substitutes for CPC.

Our Company produces CPC as per specifications of the end-user industries:

Generic Name : **Calcined Petroleum Coke**

Product Name : **Calcined Petroleum Coke / CPC / Recarburiser / Laddle additive / Carbon raiser**

	Specifications		**Typical End-User product profile**		
	Value	Range	For Aluminium Industry	Recarburiser Grade	For TiO2 Industry
Fixed Carbon	%	98.5 - 99.3	99% Min	98.5% Min	98.5% Min
Ash	%	0.2 - 1	0.5% Max	0.5% Max	1.0% Max
Volatile matter	%	0.35 - 0.5	0.5% Max	1.0% Max	1.0% Max
Moisture	%	0.01 - 0.5	0.1% Max	0.5% Max	0.5% Max
Real Density	gm/cc	2.00 - 2.09	2.03-2.06	-	-
Apparent Density	gm/cc	1.68 - 1.75	1.70 Min	-	-
Bulk Density	gm/cc	0.75 - 0.85	0.80 Min	-	-
Sulphur	%	0.5 - 3.5	1.2 - 3.0	1 Max	2.0 - 3.5
Si	ppm	200-500	500 max	n.a.	n.a.
Ni	ppm	100-300	300 max	n.a.	n.a.
Fe	ppm	250-500	500 max	n.a.	n.a.
V	ppm	100-250	250 max	n.a.	n.a.
Ca	ppm	100-200	100 max	n.a.	n.a.
Na	ppm	100-200	100 max	n.a.	n.a.
Sizing	mm	0 - 30	+4 mesh content% 30% min -0.25 content% 5% max	2 - 8 1 - 3 0.5 - 3 0 - 1	0 - 4

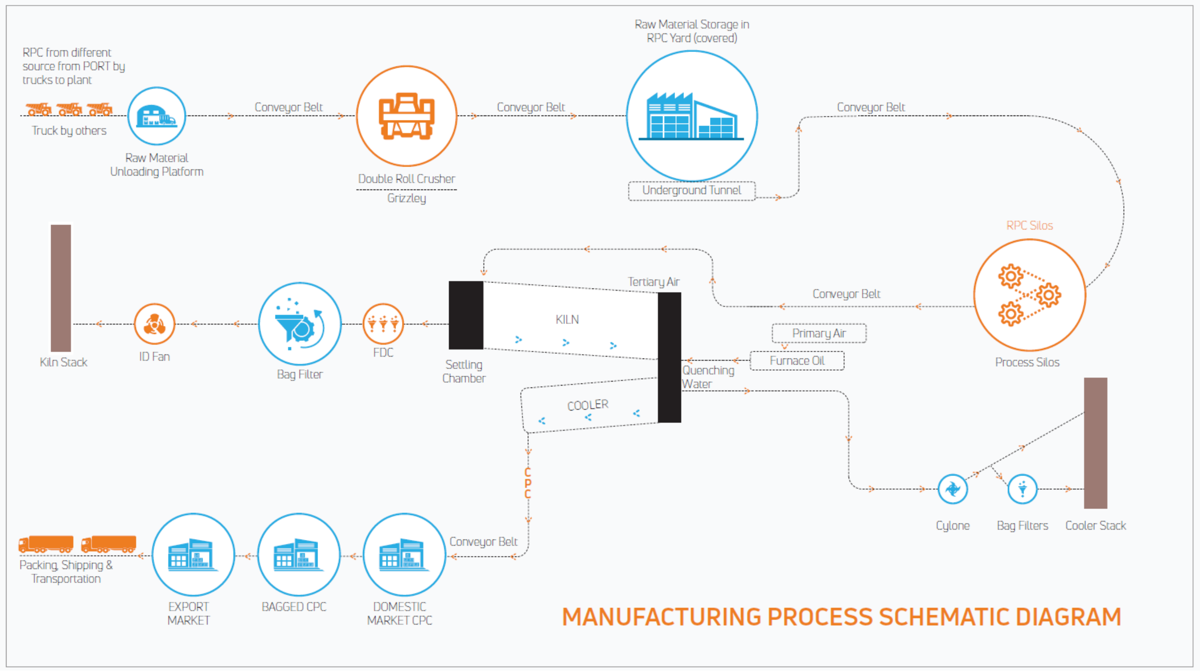
Manufacturing Process

Raw petroleum coke, a by-product in crude oil refining, is upcycled through the calcination process to produce CPC. CPC is calcined (roasted) at very high temperatures from 1,200 degree celsius to 1,350 degree Celsius usually in a gas/ self-fired rotary kiln or rotary hearth. CPC is then calcined to remove moisture, drive off volatile matter, increase the density of the coke structure, increase physical strength, increase the electrical conductivity of the material.

The material flows in a counter direction to the temperature controlled hot gases fired from the kiln burner. During the radiation heat transfer process, the material comes across various reactive zones where it de-moisturises, devolatalises and stabilizes with improved crystalline structures.

Before taking the calcined coke into the godown, it is cooled by water quenching on red-hot material and is further cooled by natural draft air while it tumbles through length of the cooler.

Set forth below is a flowchart of the typical manufacturing process employed by us for manufacturing of our product at our Manufacturing Plants:



Raw Materials

It is essential for our Company to source the appropriate raw material at the right price and at the right time, without which the production and quality of the finished goods could be impacted. The key raw materials used in the manufacturing of our products include raw petroleum coke. Our Company has put forward a team of professionals to evaluate the procurement strategies, monitor production planning and inventory control systems, which improves control over raw materials planning. Our total costs of materials consumed were ₹ 50,967.63 Lakhs, ₹ 67,225.56 Lakhs and ₹ 28,460.51 Lakhs during the six months period ended September 30, 2022, Fiscal 2022 and 2021, respectively.

We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source our raw materials from Indian as well as overseas refineries and from overseas suppliers in international market. The terms and conditions for product quality and return policy are set forth in the contract/ purchase orders. Pricing and production volumes are negotiated for each contract/ purchase order. There are no contractual commitments other than those set forth in the contract/ purchase orders. The purchase price of our raw materials are generally at spot prices. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated sales forecasting taking into consideration any expected fluctuation in raw material prices and delivery delay. See, "*Risk Factors – An inability to procure the desired quality, quantity* *of our raw materials in a timely manner and at reasonable costs, or at all, may have a material adverse effect on our business, results of operations and financial condition.*" on page 16.

Approach to Marketing

Our customer portfolio comprises primarily of aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries. We presently sell our products to the customers, directly. Our sales team directly reaches out to our customers for the sale of our products.

Our Customers

CPC manufactured and marketed by our Company are primarily supplied to aluminium smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries. Our customers consist of large size manufacturers of aluminium smelters, graphite electrode and titanium dioxide as well as other users in the metallurgical and chemical industries in India. We have an in-house team which is responsible for the marketing, distribution and sales of our products across the markets we operate in. We maintain direct contact with majority of our customers, which allows us to understand the current needs of our customers and gauge their future requirements.

COMPETITION

The CPC industry is highly competitive, and we face competition from various prominent companies in India such as Atha Group, Rain Industries Limited, Sanvira Industries Limited, Graphite India Limited and India Carbon Limited. For details, see "*Details of Business - Industry Overview*" beginning on page 54.

INTELLECTUAL PROPERTY

As of the date of this Draft Letter of Offer, our Company does not have a registered logo. Further details, see "*Risk Factors - We may fail to protect our intellectual property rights or we may be exposed to misappropriation and infringement claims by third parties, either of which may have a material adverse effect on our business and reputation*" on page 16.

MANPOWER

Human Resource is one of the critical support functions and forms another key element of the corporate backbone. As of September 30, 2022, we have 178 permanent employees across different departments including operations, human resource, finance, electrical, mechanical, quality control, production, etc. across our head office and our plants. Further, we also employ persons on contract basis from time to time. The location wise break of our permanent employees as follows:

Sr. No.	Location	No. of Permanent employees as on September 30, 2022
1.	Head Office	28
2.	**Plant I** – St. Jose De Areal, Salcete, Goa – 403 709, India	49
3.	**Plant II –** 34-40, Sector B, Sirigiti Industrial Area, Bilaspur – 495 004, Chhattisgarh, India	21
4.	**Plant III** – Village Udayabata, P.O. Paradeepgarh, District Jagatsinghpur, Odisha – 754 142, India	80
	Total	**178**

INSURANCE

Our operations are subject to various risks inherent in the CPC industry. Accordingly, we have obtained various insurance policies, including, standard fire and special perils, marine cargo insurance, all risk insurance, money insurance, machinery breakdown insurance, group personal accident insurance, public liability insurance, group health insurance, fidelity guarantee insurance, electronic equipment insurance, directors and officers liability insurance. As on September 30, 2022, our total sum insured for above mentioned policy is amounting to ₹ 110,876.42 Lakhs.

OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

Board of Directors

As on the date of this Draft Letter of Offer, our Company has 8 (Eight) Directors on our Board, comprising of 1 (one) Whole Time Director, 7 (seven) Non-Executive Directors of which 4 (four) are Independent Directors including 1 (One) woman Director.

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than 4 (four) Directors and not more than 12 (twelve) Directors, unless otherwise determined by our Company through a special resolution. The composition of our Board is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The following table sets forth the details regarding our Board as on the date of this Draft Letter of Offer:

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
1.	**Shrinivas Vasudeva Dempo** **Designation**: Chairman and Non-Executive Director **Current Term**: Liable to retire by rotation **Period of Directorship**: Director since April 1, 2006 **Occupation**: Business **Date of Birth**: February 2, 1969 **DIN**: 00043413 **Address**: Dempo Villa, Altinho, Panaji-403001, Goa, India	53	1. Dempo Sports Club Private Limited; 2. V.S. Dempo Mining Corporation Private Limited; 3. Dempo Industries Private Limited; 4. West Coast Hotels Private Limited; 5. Marmagoa Shipping and Stevedoring Company Private Limited; 6. Hindustan Foods Limited; 7. Automobile Corporation of Goa Limited; 8. V.S. Dempo Holdings Private Limited; 9. Dempo Shipbuilding and Engineering Private Limited; 10. Indo Pacific Poly-Fibres Private Limited; and 11. Kirloskar Brothers Limited; and 12. Dempo Global Corporation Pte. Ltd.
2.	**Anupam Misra** **Designation**: Whole Time Director (Executive Director) **Current Term**: For a period of 3 (three) years with effect from May 28, 2022 up to May 27, 2025 **Period of Directorship**: Director since May 28, 2022 **Occupation**: Company Executive **Date of Birth**: February 24, 1972 **DIN**: 0009615362 **Address**: Flat No. 111, Casa Del Sol, Opp. Goa Marriot Resort, Miramar, Panaji, North Goa- 403 001, Goa, India	50	Nil
3.	**Rajesh Soiru Dempo**	47	1. Dempo Properties and Investments Private

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
	Designation: Non-Executive Director **Current Term**: Liable to retire by rotation **Period of Directorship**: Director since January 8, 2016 **Occupation**: Business **Date of Birth**: November 29, 1975 **DIN**: 05143106 **Address**: Dempo Mansion, H.No.21/368/1, Near Manipal Hospital, Goa University Road, Dona Paula, North Goa, 403 003, Goa, India		Limited; 2. West Coast Hotels Private Limited; 3. Ameya Investments Private Limited; 4. V.S. Dempo Mining Corporation Private Limited; 5. Vishwas Media and Entertainment Private Limited; 6. Soiru Dempo Management Holding Private Limited; 7. Vision Dempo Hospitality and Estates Private Limited; 8. Vishwasrao Dempo Academy Private Limited; and 9. Dempo Vision Resorts and Construction Private Limited.
4.	**Kiran Dhingra** **Designation**: Independent Director **Current Term**: For a period of 5 (five) years with effect from July 8, 2020 up to July 7, 2025 and not liable to retire by rotation **Period of Directorship**: Director since March 16, 2015 **Occupation**: Retired IAS Officer **Date of Birth**: January 12, 1953 **DIN**: 00425602 **Address**: H NO. 83-C, Gancim, Batim, P.O. Goa Velha, North Goa-403108, Goa, India	69	1. Astra Micro Wave Products Limited; 2. Stovec Industries Limited; 3. Indian Register of Shipping; and 4. Paradeep Phosphates Limited.
5.	**Nagesh Dinkar Pinge** **Designation**: Independent Director **Current Term**: For a period of 5 (five) years with effect from May 6, 2019 up to May 5, 2024 and not liable to retire by rotation **Period of Directorship**: Director since May 6, 2019 **Occupation**: Independent Director **Date of Birth**: October 1, 1958 **DIN**: 00062900	64	1. Automobile Corporation of Goa Limited; 2. Multi Commodity Exchange Clearing Corporation Limited; 3. Aditya Birla Sun Life Insurance Company Limited; 4. Inventia Healthcare Limited; 5. Arvind Fashions Limited; 6. Utkarsh Small Finance Bank Limited; 7. Hero Housing Finance Limited; and 8. Whiteoak Capital Trustee Limited.

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
	Address: B, 403, Rajkamal CHS, Subhash Road, Vile Parle East, Mumbai – 400 057, Maharashtra, India		
6.	**Subodh Satchitanand Nadkarni** **Designation**: Independent Director **Current Term**: For a period of 5 (five) years with effect from January 7, 2021 up to January 6, 2026 and not liable to retire by rotation **Period of Directorship**: Director since January 7, 2021 **Occupation**: Professional **Date of Birth**: April 2, 1956 **DIN**: 00145999 **Address**: D-32, Mangireesh, 520, L.J. Road, Mahim-400016, Maharashtra, India	66	1. Grindwell Norton Limited; 2. Galaxy Surfactants Limited; and 3. Galaxy Chemicals (Egypt) S. A. E., Egypt; and 4. Tri-K Industries Inc.
7.	**Jagmohan Jagdishlal Chhabra** **Designation**: Non-Executive and Non-Independent Director **Current Term**: Liable to retire by rotation **Period of Directorship**: Director since April 9, 2010 **Occupation**: Professional Director **Date of Birth**: April 17, 1962 **DIN**: 01007714 **Address**: House Sea Mist Villa No. 1, Op Miramar Hotel, Panaji, Tiswadi, North Goa- 403001, Goa, India	60	Nil
8.	**Subhrakant Panda** **Designation**: Independent Director **Current Term**: For a period of 5 (five) years with effect from May 28, 2022 up to May 27, 2027 **Period of Directorship**: Director since May 28, 2022 **Occupation**: Industrialist	51	1. Indian Metals and Ferro Alloys Limited; 2. Utkal Coal Limited; 3. Utkal Real Estate Private Limited; 4. Carolina Consulting Private Limited; 5. Federation of Indian Chamber of Commerce and Industry; 6. Paradeep Phosphates Limited; and 7. JK Tyre & Industries Limited.

Sr. No.	Name, designation, current term, period of directorship, occupation, date of birth, DIN and address	Age (in years)	Other Directorships
	Date of Birth: January 5, 1971 **DIN**: 00171845 **Address**: 30, Green Avenue, Vasant Kunj, S.O., South West Delhi, 110070		

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Letter of Offer, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

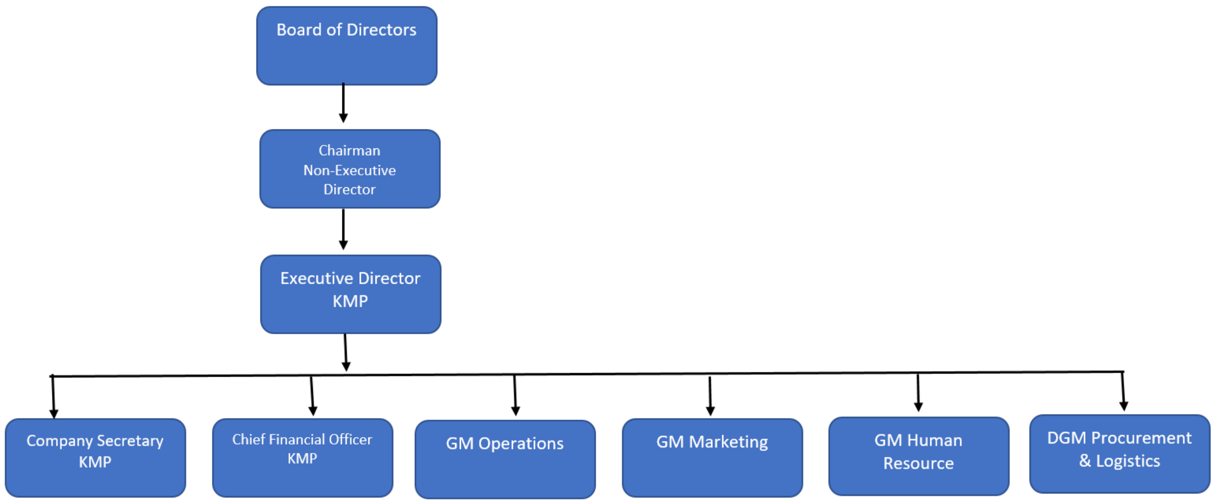
None of our Directors is or was a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

Our Key Management Personnel and Senior Management Personnel

Sr. No.	Name of Key Management personnel and senior management personnel	Associated with the Company since	Current Designation
1.	Anupam Mishra	May 28, 2022	Whole Time Director (Executive Director)
2.	Krishnan Balaraman*	February 28, 2005*	Chief Financial Officer
3.	Pravin Rajendra Satardekar	January 6, 2018	Company Secretary and Compliance Officer

** Krishnan Balaraman has been designated as KMP pursuant to his appointment as Chief Financial Officer with effect from February 10, 2015.*

ORGANISATIONAL STRUCTURE



SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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B S R & Co. LLP

Chartered Accountants

8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune - 411001, India

Telephone: +91 20 6747 7300
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Limited Review Report on unaudited financial results of Goa Carbon Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Goa Carbon Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Goa Carbon Limited ("the Company") for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

SWAPNIL SATISH DAKSHINDAS
Digitally signed by SWAPNIL SATISH DAKSHINDAS
Date: 2022.11.04 12:35:30 +05'30'

Swapnil Dakshindas
Partner
Membership No.: 113896
UDIN:22113896BCAJKN4679

Pune
04 November 2022

GOA CARBON LIMITED

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

Corporate Identity Number – L23109GA1967PLC000076

Website: www.goacarbon.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

DEMPO

₹ in lacs

	Particulars	Quarter ended Sept 30, 2022	Quarter ended June 30, 2022	Quarter ended Sept 30, 2021	Six months ended Sept 30, 2022	Six months ended Sept 30, 2021	Year ended March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	**Revenue from operations:**						
	(a) Sale of products (net)	42,621.17	20,512.72	15,045.40	63,133.89	27,524.34	76,567.07
	(b) Other operating revenues	7.61	15.05	6.25	22.66	25.65	44.58
		42,628.78	**20,527.77**	**15,051.65**	**63,156.55**	**27,549.99**	**76,611.65**
II.	Other income (net)	168.07	119.92	40.18	287.99	59.04	255.16
III.	**Total income (I+II)**	**42,796.85**	**20,647.69**	**15,091.83**	**63,444.54**	**27,609.03**	**76,866.81**
IV.	**Expenses:**						
	(a) Cost of materials consumed	31,140.74	19,826.89	15,919.47	50,967.63	25,175.44	67,225.56
	(b) Changes in inventories of finished goods	3,732.79	(4,005.21)	(3,992.32)	(272.42)	(2,889.97)	(4,336.82)
	(c) Employee benefits expense	547.88	546.20	551.50	1,094.08	1,189.80	2,366.17
	(d) Finance costs	1,128.51	728.24	322.38	1,856.75	707.67	1,620.81
	(e) Depreciation and amortisation expenses	55.75	52.79	52.96	108.54	104.57	210.46
	(f) Other expenses	1,454.56	1,551.78	1,627.65	3,006.34	2,697.20	5,689.15
	Total expenses (IV)	**38,060.23**	**18,700.69**	**14,481.64**	**56,760.92**	**26,984.71**	**72,775.33**
V.	**Profit before tax (III-IV)**	**4,736.62**	**1,947.00**	**610.19**	**6,683.62**	**624.32**	**4,091.48**
VI.	**Tax expense:**						
	(a) Current tax	1,241.86	519.04	-	1,760.90	-	95.00
	(b) Deferred tax	(44.54)	(20.43)	(5.72)	(64.97)	(3.91)	218.55
VII.	**Profit for the period (V-VI)**	**3,539.30**	**1,448.39**	**615.91**	**4,987.69**	**628.23**	**3,777.93**
VIII.	**Other comprehensive income:**						
	(i) Items that will not be reclassified to profit and loss:						
	(a) Remeasurements of the defined benefit plans	(35.99)	(35.99)	10.36	(71.98)	15.54	(46.54)
	(b) Equity instruments through other comprehensive income	118.50	(17.15)	51.94	101.35	88.17	110.04
	(ii) Tax relating to items that will not be reclassified to profit and loss	(4.75)	11.06	(11.77)	6.31	(14.18)	(1.10)
IX.	**Total comprehensive Income for the period (VII+VIII)**	**3,617.06**	**1,406.31**	**666.44**	**5,023.37**	**717.76**	**3,840.33**
X.	**Paid-up equity share capital (face value ₹10)**	**915.11**	**915.11**	**915.11**	**915.11**	**915.11**	**915.11**
	Other Equity						**10,544.09**
XI.	**Earnings per equity share (in ₹) items (Basic and diluted)**	**38.68**	**15.83**	**6.74**	**54.50**	**6.87**	**41.28**
	* (not annualised)	*	*	*	*	*	

Statement of Assets and Liabilities

₹ in lacs

	Particulars	As at 30 September 2022 Un-audited	As at 31 March 2022 Audited
I.	ASSETS		
(1)	**Non-current assets**		
	(a) Property, plant and equipment	2,271.02	2,291.29
	(b) Capital work in progress	324.40	371.75
	(c) Intangible assets	-	0.00
	(d) Financial assets		
	(i) Investments	643.60	542.25
	(ii) Others	68.30	70.68
	(e) Non-current tax assets (net)	1,289.83	1,269.88
	(f) Other non-current assets	258.47	260.44
		4,855.62	4,806.29
(2)	**Current assets**		
	(a) Inventories	22,193.41	14,690.24
	(b) Financial assets		
	(i) Trade receivables	15,122.88	2,822.54
	(ii) Cash and cash equivalents	11.33	1,123.66
	(iii) Bank balances other than (ii) above	25,178.30	16,811.06
	(iv) Others	721.08	8.94
	(c) Other current assets	1,933.22	2,433.36
		65,160.22	37,889.80
	TOTAL ASSETS	**70,015.84**	**42,696.09**
II.	EQUITY AND LIABILITIES		
(1)	**Equity**		
	(a) Equity share capital	915.11	915.11
	(b) Other equity	14,652.36	10,544.09
		15,567.47	11,459.20
(2)	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	900.00	900.00
	(b) Deferred tax liabilities (net)	168.19	239.47
		1,068.19	1,139.47
(3)	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	33,233.74	23,077.74
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises; and	257.38	664.43
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	16,880.20	5,303.32
	(iii) Others	438.81	230.89
	(b) Other current liabilities	1,305.82	727.93
	(c) Provisions	108.92	74.38
	(d) Income tax liabilities (net)	1,155.31	18.73
		53,380.18	30,097.42
	TOTAL EQUITY AND LIABILITIES	**70,015.84**	**42,696.09**

STATEMENT OF CASH FLOWS

₹ in lacs

	Particulars	Six Months period ended September 30, 2022	Six Months period ended September 30, 2021	Year ended March 31, 2022
		Un-audited	Un-audited	Audited
A.	CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit/(Loss) before tax	6,683.62	624.32	4,091.48
	Adjustments for:			
	Depreciation and amortisation expenses	108.54	104.57	210.46
	Finance cost	1,856.75	707.67	1,620.81
	Assets written off	-	-	0.54
	Bad debts written off	0.02	0.13	4.63
	Provision for Capital advances	-	-	72.02
	Interest income from others	(272.57)	(56.29)	(202.31)
	Interest income from income tax	-	-	(1.86)
	Provision for doubtful debts	-	0.85	-
	Liabilities no longer required written back	-	(1.26)	-
	Net gain on disposal of property, plant and equipment	(0.19)	-	(1.43)
	Exchange (gain)/loss - (net)	767.01	106.14	1.23
	Dividend income	(3.34)	(1.49)	(1.49)
		2,456.22	860.32	1,702.60
	Operating profit before working capital changes	9,139.84	1,484.64	5,794.08
	Changes in working capital			
	Adjustments for (increase) / decrease in operating assets:			
	Other non-current financial assets	2.38	(0.29)	1.83
	Other non-current assets	1.97	1.81	0.51
	Inventories	(7,503.17)	(8,566.04)	(4,165.13)
	Trade receivables	(12,300.36)	2,738.43	3,612.67
	Other current financial assets	(712.14)	(0.54)	4.33
	Other current assets	428.16	637.46	(374.43)
	Adjustments for increase / (decrease) in operating liabilities:			
	Trade payables	10,402.81	6,595.23	(8,789.10)
	Other current financial liabilities	(119.10)	(122.44)	(141.32)
	Other current liabilities	577.89	252.26	126.30
	Provisions	34.54	18.48	20.34
		(9,187.02)	1,554.36	(9,704.00)
	Cash (used in) / generated from operating activities	(47.18)	3,039.00	(3,909.92)
	Income tax paid (net of refunds, if any)	(644.27)	(19.96)	(80.05)
	Net cash (used in)/ generated from operating activities (A)	**(691.45)**	**3,019.04**	**(3,989.97)**
B.	CASH FLOW FROM INVESTING ACTIVITIES			
	Acquisition of property, plant and equipment, intangibles and capital work-in-progress	(44.64)	(103.22)	(167.17)
	Proceeds from sale of property, plant and equipments	3.91	-	5.08
	Margin money and bank deposits realised/(placed) - net	(8,370.01)	(7,075.86)	(14,040.72)
	Interest received	272.57	56.29	202.31
	Dividend received	3.34	1.49	1.49
	Net cash (used in) / generated from investing activities (B)	**(8,134.83)**	**(7,121.30)**	**(13,999.01)**

STATEMENT OF CASH FLOWS (CONTINUED)

C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from long-term borrowings	-	-	900.00
	Proceeds from short term borrowings	10,156.00	6,435.14	19,983.28
	Interest paid	(1,526.96)	(716.78)	(1,771.11)
	Dividends paid	(915.09)		-
	Net cash generated from financing activities (C)	**7,713.95**	**5,718.36**	**19,112.17**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	**(1,112.33)**	**1,616.10**	**1,123.19**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD / YEAR	**1,123.66**	**0.47**	**0.47**
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR *	**11.33**	**1,616.57**	**1,123.66**

	* Comprises of	Six Months period ended September 30, 2022	Six Months period ended September 30, 2021	Year ended March 31, 2022
	Cash on hand	0.39	0.41	0.21
	Balances with banks in current accounts	10.94	1,616.16	1,123.45
	Total	**11.33**	**1,616.57**	**1,123.66**

NOTES:

1) The above financial results have been reviewed by the audit committee and approved by the Board of Directors at their respective meetings held on 4th November, 2022.

2) The statutory auditors of the Company have conducted a limited review of the above unaudited financial results for the quarter and six months ended 30th September, 2022. An unqualified report has been issued by them thereon.

3) 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.

4) Due to the maintenance work and absence of viable orders, the plants of the Company were shut down during the quarter ended 30th September, 2022 as under:
   i) Goa Plant - 01 days and ii) Bilaspur Plant - 30 days and iii) Paradeep unit - 20 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 21st October, 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.

For GOA CARBON LIMITED

SHRINIVAS V. DEMPO
CHAIRMAN
DIN : 00043413

Panaji, Goa. November 4th, 2022

B S R & Co. LLP
Chartered Accountants

8th floor, Business Plaza,
Westin Hotel Campus,
36/3-8, Koregaon Park Annex,
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Independent Auditor's Report

To the Members of Goa Carbon Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Goa Carbon Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Registered Office
14th Floor, Central Wing, Tower 4, Nesco Center,
Western Express Highway, Goregaon (East), Mumbai - 400063

Goa Carbon Limited
Independent Auditors' Report - 31 March 2022 ***(continued)***

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue Recognition The Company's revenue is derived from the sale of Calcinated petroleum coke (CPC). The Company recognises revenue when the control is transferred to the customer. The terms set out in the Company's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold. Revenue is one of the key performance indicators of the Company and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Company. Accordingly, this was one of the focus areas for our audit.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: – understood business processes surrounding management's review for the recognition of revenue; – tested the design, implementation and operating effectiveness of controls over the existence, accuracy and timing of revenue recognition; – performed substantive test of details over revenue recognized throughout the period by selecting a sample of transactions to ensure that the samples selected meet the revenue recognition criteria and are appropriately recorded; – tested sample transactions around the period end to ensure they were recorded in the correct period; and – tested journal entries posted to revenue accounts focusing on unusual or irregular items, if any. – Performed Unpredictability procedure over revenue by obtaining confirmation of sales made during the period from high value customers. - Assessed the adequacy of disclosures in respect of revenue from operations in the financial statements.

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Goa Carbon Limited
Independent Auditors' Report - 31 March 2022 *(continued)*

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

B S R & Co. LLP Chartered Accountants

Goa Carbon Limited
Independent Auditors' Report - 31 March 2022 ***(continued)***

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 financial statements, 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 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 made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B S R & Co. LLP Chartered Accountants

Goa Carbon Limited
Independent Auditors' Report - 31 March 2022 *(continued)*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 31 to the financial statements.

   b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 22 to the financial statements.

   c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

   d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 40 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Goa Carbon Limited
Independent Auditors' Report - 31 March 2022 *(continued)*

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 40 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e) As stated in note 16 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Swapnil Dakshindas
Partner
Membership No. 113896
UDIN: 22113896AJUAXD8781

Place: Pune
Date: 28 May 2022

Goa Carbon Limited
Annexure A to the Independent Auditors' Report – 31 March 2022

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) which have been pledged as security for facilities taken from banks are held in the name of the Company based on the confirmation received by us from the bank.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, and as represented to us by the management there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

Goa Carbon Limited
Annexure A to the Independent Auditors' Report – 31 March 2022 *(continued)*

(ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, except for Goa Green Cess.

According to the information and explanations given to us and on the basis of our examination of the records of the Company , no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022, for a period of more than six months from the date they became payable, except Goa Green Cess. The arrears of 'Goa Green Cess' outstanding for more than six months as at 31 March 2022 amounts to Rs. 542.25 lakhs.

Goa Carbon Limited
Annexure A to the Independent Auditors' Report – 31 March 2022 *(continued)*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (Rs. lakhs)	Amount paid under protest (Rs. lakhs)	Period to which the amount relates (Assessment Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	901	901	1995-96 to 2003-04	Supreme Court of India
Income Tax Act, 1961	Income Tax	247	247	1994-95	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	504	241	2013-14 and 2016-17	Income Tax Appellate Tribunal, Panaji

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(ix) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(ix) (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(ix) (d) 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 purposes by the Company.

(ix) (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act). Accordingly, clause 3(ix)(f) is not applicable.

Goa Carbon Limited

Annexure A to the Independent Auditors' Report – 31 March 2022 *(continued)*

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(x) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(xi) (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act, has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act, are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current year. However, there were cash losses incurred by Company amounting to INR 219.50 Lakhs in the immediately preceding financial year.

Goa Carbon Limited
Annexure A to the Independent Auditors' Report – 31 March 2022 *(continued)*

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/ W-100022

Swapnil Dakshindas
Partner
Membership No: 113896
UDIN: 22113896AJUAXD8781

Place: Pune
Date: 28 May 2022

Annexure B to the Independent Auditors' report on the financial statements of Goa Carbon Limited for the period ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Goa Carbon Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

Annexure B to the Independent Auditors' report on the financial statements of Goa Carbon Limited for the period ended 31 March 2022 (continued)

Auditors' Responsibility *(continued)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/ W-100022

Swapnil Dakshindas
Partner
Membership No: 113896
UDIN: 22113896AJUAXD8781

Place: Pune
Date: 28 May 2022

GOA CARBON LIMITED

BALANCE SHEET AS AT 31st March 2022

	Note	As at 31st March 2022 ₹ in lacs	As at 31st March 2021 ₹ in lacs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	2,291.29	2,437.22
(b) Capital work in progress	4.1	371.75	271.57
(c) Intangible assets	5	-	1.73
(d) Financial assets			
(i) Investments	6	542.25	432.21
(ii) Others	7	70.68	72.51
(e) Income tax assets (net)	8	1,269.88	1,264.24
(f) Other non-current assets	9	260.44	332.97
		4,806.29	4,812.45
(2) Current assets			
(a) Inventories	10	14,690.24	10,525.11
(b) Financial assets			
(i) Trade receivables	11	2,822.54	6,439.84
(ii) Cash and cash equivalents	12	1,123.66	0.47
(iii) Bank balances other than (ii) above	13	16,811.06	2,773.03
(iv) Others	14	8.94	13.27
(c) Other current assets	15	2,433.36	2,105.47
		37,889.80	21,857.19
TOTAL ASSETS		42,696.09	26,669.64
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	915.11	915.11
(b) Other equity	17	10,544.09	6,703.76
		11,459.20	7,618.87
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	900.00	-
(b) Deferred tax liabilities (net)	19	239.47	19.82
		1,139.47	19.82
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	23,077.74	3,094.46
(ii) Trade payables	21		
(A) total outstanding dues of micro enterprises and small enterprises; and		664.43	72.91
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		5,303.32	14,682.71
(iii) Others	22	230.89	525.20
(b) Other current liabilities	23	727.93	601.63
(c) Provisions	24	74.38	54.04
(d) Income tax liabilities (net)	19	18.73	-
		30,097.42	19,030.95
TOTAL EQUITY AND LIABILITIES		42,696.09	26,669.64
Summary of significant accounting policies	2 - 3		
The accompanying notes to the financial statements.	4 - 46		

The notes referred to above form an integral part of financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants
Firm Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune, Maharashtra:
Dated : 28 May 2022

For and on behalf of the Board of Directors of Goa Carbon Limited
(CIN: L23109GA1967PLC000076)

Shrinivas V. Dempo
Chairman and Non Executive Director
DIN:00043413

Jagmohan J. Chhabra
Non Executive Director
DIN:01007714

Anupam Misra
Executive Director
DIN:0009615362

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

Pravin R. Satardekar
Company Secretary
M.No.: ACS - 24380

Place : Panaji, Goa
Dated : 28 May 2022

GOA CARBON LTD.

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GOA CARBON LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

	Particulars	Note	Year ended 31st March 2022	Year ended 31st March 2021
			₹ in lacs	₹ in lacs
I.	Revenue from operations (net)	25	76,611.65	35,278.59
II.	Other income	26	255.16	65.80
III.	**Total income (I+II)**		76,866.81	35,344.39
IV.	**Expenses:**			
	(a) Cost of materials consumed	27	67,225.56	28,460.51
	(b) Changes in inventories of finished goods	28	(4,336.82)	341.27
	(c) Employee benefit expense	29	2,366.17	1,802.59
	(d) Finance cost	30	1,620.81	966.63
	(e) Depreciation and amortisation expenses	4 - 5	210.46	213.90
	(f) Other expenses	31	5,689.15	4,051.55
	Total expenses (IV)		72,775.33	35,836.45
V.	**Profit /(Loss) before tax (III-IV)**		4,091.48	(492.06)
VI.	**Tax expense:**			
	(a) Current tax	19	95.00	-
	(b) Deferred tax	19	218.55	(10.86)
VII.	**Profit/(Loss) for the period (V-VI)**		3,777.93	(481.20)
VIII.	**Other comprehensive income:**			
	(i) Items that will not be reclassified to profit and loss:			
	(a) Remeasurements of the defined benefit plans		(46.54)	31.08
	(b) Equity instruments through other comprehensive income		110.04	191.82
	(ii) Tax relating to items that will not be reclassified to profit and loss		(1.10)	(30.68)
IX.	**Total comprehensive income/(loss) for the period (VII+VIII)**		3,840.33	(288.98)
X.	**Earnings per equity share of ₹10 each (in ₹)**			
	(1) Basic	42	41.28	(5.26)
	(2) Diluted	42	41.28	(5.26)
	Summary of significant accounting policies	2 - 3		
	The accompanying notes to the financial statements.	4 - 46		

The notes referred to above form an integral part of financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants
Firm Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune, Maharashtra
Dated : 28 May 2022

For and on behalf of the Board of Directors
of Goa Carbon Limited
(CIN: L23109GA1967PLC000076)

Shrinivas V. Dempo
Chairman and Non Executive Director
DIN:00043413

Jagmohan J. Chhabra
Non Executive Director
DIN:01007714

Anupam Misra
Executive Director
DIN: 0009615362

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

Pravin R. Satardekar
Company Secretary
M.No.: ACS - 24380

Place : Panaji, Goa
Dated : 28 May 2022

GOA CARBON LTD.

GOA CARBON LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2022

A. Equity share capital (Refer Note 16 B)

₹ in lacs

Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
915.11	-	915.11	-	915.11

₹ in lacs

Balance as at 1 April 2020	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
915.11	-	915.11	-	915.11

B. Other equity

As at 31st March 2021

₹ in lacs

Particulars	Attributable to the owners of the company				
	Reserves and surplus				
	Securities premium	Amalgamation reserve	General reserve	Retained earnings	Total
Balance as at 1st April 2020	3,131.01	475.38	1,803.05	1,583.30	6,992.74
Profit/(loss) for the year	-	-	-	(481.20)	(481.20)
Remeasurements of the defined benefit plans	-	-	-	20.22	20.22
Equity instruments through other comprehensive income	-	-	-	172.00	172.00
	-	-	-	**(288.98)**	**(288.98)**
Balance as at 31st March 2021	**3,131.01**	**475.38**	**1,803.05**	**1,294.32**	**6,703.76**

As at 31st March 2022

₹ in lacs

Particulars	Attributable to the owners of the company				
	Reserves and surplus				
	Securities premium	Amalgamation reserve	General reserve	Retained earnings	Total
Balance as at 1st April 2021	3,131.01	475.38	1,803.05	1,294.32	6,703.76
Total comprehensive income for the year ended 31st March 2022					
Profit/(Loss) for the year	-	-	-	3,777.93	3,777.93
Remeasurements of the defined benefit plans	-	-	-	(34.82)	(34.82)
Equity instruments through other comprehensive income	-	-	-	97.22	97.22
	-	-	-	**3,840.33**	**3,840.33**
Balance as at 31st March 2022	**3,131.01**	**475.38**	**1,803.05**	**5,134.65**	**10,544.09**

Summary of significant accounting policies 2 - 3

The accompanying notes to the financial statements. 4 - 46

The notes referred to above form an integral part of financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants
Firm Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune, Maharashtra
Dated : 28 May 2022

For and on behalf of the Board of Directors
of Goa Carbon Limited
(CIN: L23109GA1967PLC000076)

Shrinivas V. Dempo
Chairman and Non Executive Director
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Executive Director
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K. Balaraman
Chief Financial Officer
M.No.: ACA - 029283

Pravin R. Satardekar
Company Secretary
M.No.: ACS - 24380

Place : Panaji, Goa
Dated : 28 May 2022

GOA CARBON LTD.

GOA CARBON LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

	Particulars	Year ended 31st March 2022	Year ended 31st March 2021
		₹ in lacs	₹ in lacs
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before tax	4,091.48	(492.06)
	Adjustments for :		
	Depreciation and amortisation expenses	210.46	213.90
	Finance cost	1,620.81	966.63
	Assets written off	0.54	3.04
	Bad debts written off	4.63	1.17
	Provision for Capital advances	72.02	-
	Interest income from others	(202.31)	(57.81)
	Interest income from income tax	(1.86)	(1.03)
	Provision for doubtful debts	-	5.52
	Liabilities no longer required written back	-	(5.53)
	Net gain on disposal of property, plant and equipment	(1.43)	(1.43)
	Exchange (gain)/loss - (net)	1.23	(65.18)
	Dividend income	(1.49)	-
		1,702.60	1,059.28
	Operating Profit before working capital changes :	5,794.08	567.22
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Other non-current financial assets	1.83	(0.09)
	Other non-current assets	0.51	1.55
	Inventories	(4,165.13)	(799.80)
	Trade receivables	3,612.67	(4,281.47)
	Other current financial assets	4.33	462.76
	Other current assets	(374.43)	(517.86)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(8,789.10)	2,950.81
	Other current financial liabilities	(141.32)	203.58
	Other current liabilities	126.30	(101.11)
	Provisions	20.34	17.85
		(9,704.00)	(2,063.78)
	Cash (used in) / generated from operating activities	(3,909.92)	(1,496.56)
	Income tax paid (net of refunds, if any)	(80.05)	(10.01)
	Net cash (used in)/ generated from operating activities (A)	(3,989.97)	(1,506.57)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on property, plant and equipments including capital advances	(167.17)	(166.06)
	Proceeds from sale of property, plant and equipments	5.08	10.26
	Margin money and bank deposits (Placed) /Realised	(14,040.72)	(848.74)
	Interest received	202.31	57.81
	Dividend received	1.49	-
	Net cash (used in) / generated from investing activities (B)	(13,999.01)	(946.73)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long-term borrowings	900.00	-
	Proceeds from short term borrowings	19,983.28	2,725.64
	Interest paid	(1,771.11)	(954.94)
	Net cash generated from financing activities (C)	19,112.17	1,770.70
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	1,123.19	(682.60)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	0.47	683.07
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR*	1,123.66	0.47

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GOA CARBON LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

* Comprises of	As at 31st March 2022	As at 31st March 2021
Cash on hand	0.21	0.31
Balances with banks in current accounts	1,123.45	0.16
Total	1,123.66	0.47

Changes in liabilities arising from financing activities

Particulars	As at 31st March 2022	As at 31st March 2021
Borrowings:		
Opening balance	3,094.46	368.82
Amount borrowed during the year	20,883.28	2,725.64
Amount repaid during the year	-	-
Closing balance (refer note 18 and 20)	**23,977.74**	**3,094.46**

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued on borrowings:		
Opening balance	188.85	177.16
Finance cost incurred during the year	1,620.81	966.63
Amount paid during the year	(1,771.11)	(954.94)
Closing balance (refer note 22)	**38.55**	**188.85**

Summary of significant accounting policies 2 - 3

The accompanying notes to the financial statements. 4 - 46

The notes referred to above form an integral part of financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place : Pune, Maharashtra
Dated : 28 May 2022

For and on behalf of the Board of Directors
of Goa Carbon Limited
(CIN: L23109GA1967PLC000076)

Shrinivas V. Dempo
Chairman and Non Executive Director
DIN:00043413

Jagmohan J. Chhabra
Non Executive Director
DIN:01007714

Anupam Misra
Executive Director
DIN: 0009615362

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

Pravin R. Satardekar
Company Secretary
M.No.: ACS - 24380

Place : Panaji, Goa
Dated : 28 May 2022

GOA CARBON LTD.

1 Company overview

Goa Carbon Limited is a public limited company incorporated and domiciled in India and has its registered office at Panaji-Goa, India.

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

2 Basis of preparation of financial statements

a. Basis of preparation and compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared on a going concern basis.
The financial statements were authorized for issue by the Company's Board of Directors on 28th May 2022.
Details of the Company's significant accounting policies are included in Note 3.

b. Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial instruments and defined benefit plans which have been measured at fair value as required by the relevant Ind AS. Refer note 3A(d) and 3A(h) below.

c. Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lacs with two decimals.

d. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:
- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:
- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax liabilities are classified as non-current liabilities.

Operating cycle:
Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle less than twelve months for the purpose of current non-current classification of assets and liabilities.

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GOA CARBON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

3A Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

a. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Consideration is allocated to each performance obligation specified in the contract. The Company recognise revenue pertaining to each performance obligation when it transfers control over a product to a customer, which is adjusted for expected refunds, which are estimated based on the historical data, adjusted as necessary.

b. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses if any. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalised. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss.

Major machinery spares parts are capitalized when they meet the definition of property, plant and equipment.

Capital work-in-progress:

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Depreciation:

Depreciation commences when the assets are ready for their intended use. Assets in the course of development or construction and freehold land are not depreciated.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the useful life of the assets has been assessed by the Management as under.

- Mobile phones - One year.
- Assets costing less than ₹ 5,000 each are fully depreciated in the year of acquisition.
- Depreciation on additions and deletions during the year are charged on pro- rata basis.
- Right to use of leasehold land taken under operating leases, being amortised equally over the period of the lease.

The residual value and the useful life of an asset is reviewed at each financial year end and if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8, 'Accounting Policies, Accounting Estimates and Errors'.

c. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment if any. Intangible assets are amortised over their estimated useful life on straight line basis. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any. Estimated useful of intangible assets (ERP software) is 3 years.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as of 1st April 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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GOA CARBON LTD.

3A Significant accounting policies (Continued)

d. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three broad categories:

a. Financial assets at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows.

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b. Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss if both the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- The contractual assets cash flows represent SPPI.

c. Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category. Any instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI is classified as at FVTPL.

In addition, even if an instrument meets the requirements for measurement at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value in the Balance Sheet, with fair value changes recognised in the Statement of Profit and Loss, except for those equity investments for which the Company has elected to present fair value changes in 'other comprehensive income'. If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

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3A Significant accounting policies (Continued)

d. Financial instruments (Continued)

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are measured at amortised cost e.g., loans, deposits and trade receivables
- Financial assets that are measured as at FVOCI e.g. derivatives designated as hedges.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. In the Balance Sheet, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

ii) Financial liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and designated upon initial recognition as at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

b. Financial liabilities at amortised cost (Loans & Borrowings).

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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GOA CARBON LTD.

3A Significant accounting policies (Continued)

d. Financial instruments (Continued)

iv) Derivative financial instruments

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, the Company enters into forward contracts. The Company does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a forward contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

v) Income/ Loss recognition

Interest income:

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends:

Dividend income from investments is recognised when the right to receive it is established.

Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenses in the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs.

e. Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for any indication of impairment based on internal / external factors.

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or the CGU is reduced to its recoverable amount. An impairment loss is recognised in the income statement.

f. Inventories

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

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

Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

3A Significant accounting policies (Continued)

g. **Taxation**

Tax expense comprises current tax and deferred tax. Tax expense is recognised in the income statement except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the Statement of Profit and Loss.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the reporting date and includes any adjustments to tax payable in respect of previous years.

Deferred tax is recognised, using the balance sheet method on temporary differences as at Balance Sheet date between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in the computation of current tax.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets (including MAT credit receivable) is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company has a legally enforceable right for such set off.

h. **Employee benefits**

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short term employee benefits tc be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Long term employee benefits:

i) Defined contribution plans

a. Superannuation

Fixed contributions to the superannuation fund, which is administered by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited, are charged to the Statement of Profit and Loss as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b. Provident fund

The Company contributes to a Government administered provident/ pension fund.
The fixed contributions to these funds are charged to the Statement of Profit and Loss.

ii) Defined benefit plans

a. Gratuity

The Company offers its employees defined benefit plan, in the form of Gratuity Plan. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan covers all employees as statutorily required under the Payment of Gratuity Act, 1972. The Company makes annual contributions to gratuity funds maintained with Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited which are irrevocable. The liability of gratuity benefits payable in the future is based on an independent actuarial valuation as at the end of the year. The actuarial valuation is done based on the "Projected Unit Credit" method.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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3A Significant accounting policies (Continued)

h. Employee benefits (Continued)

b. Compensated absences:

The employees of the Company are entitled to encashment of unavailed leave. The employees can carry forward a portion of the unutilized leave and receive cash compensation at retirement or termination of employment. The Company contributes to the fund maintained with Life Insurance Corporation of India for this, which is irrevocable. The Company records an obligation for encashment of unavailed leave in the period in which the employee renders the services, based on an actuarial valuation at the Balance Sheet date carried out by an independent actuary less the fair value of the plan assets. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

i. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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 but disclosed in the financial statements when an inflow of economic benefits is probable.

j. Foreign currency transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary assets and liabilities outstanding at the Balance Sheet date are restated at the year end rates. Non-monetary assets and liabilities denominated in foreign currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All Exchange differences arising on settlement / restatement are charged to the Statement of Profit and Loss in the period in which they arise.

k. Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

l. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS-7 "Statement of cash flows" whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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3A **Significant accounting policies (Continued)**

n. **Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the lessor has a substantive substitution right, then the asset is not identified
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company as a lessee has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
- the Company as a lessee has the right to operate the asset; or
- the Company as a lessee designed the asset in a way that predetermines how and for what purpose it will be used.
- This policy is applied to contracts entered into, or modified, on or after 1 April, 2019.

The Company as a lessee :

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets :

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

o. **Use of estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following accounting policies and/or notes.

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3A Significant accounting policies (Continued)

Critical estimates and judgments in applying accounting policies

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) Accounting policy on impairment of assets

In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as reduction in CPC prices and increase in RPC prices, the Company's business plans and changes in regulatory environment are taken into consideration. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use

ii) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

iii) Accounting policy on taxation

In preparing financial statements, the Company recognises income taxes of the jurisdiction in which it operates. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts t ıat were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

iv) Defined benefit plans

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 34 for details of the key assumptions used in determining the accounting for these plans.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

3A Significant accounting policies (Continued)

Critical estimates and judgments in applying accounting policies (Continued)

v) Provision against obsolete and slow-moving inventories
The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

vi) Measurement of fair values
A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
The Company has an established control framework with respect to the measurement of fair values which is overseen by the Chief Financial Officer (CFO).
Significant valuation issues are reported to the Company's audit committee.
Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as a lowest level input that is significant to the entire measurement.
The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

vii) Operating segments
The Company is engaged in manufacture and sale of Calcined Petroleum Coke which constitutes single business segment. Further all the commercial operations of the Company are based in India. Performance is measured based on the management accounts as included in the internal management reports that are reviewed by the Company's Executive Director. Accordingly, there are no separate reportable segments.

3B Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below;

Ind AS 16 – Property, Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022(Continued)

4 **Property plant and equipment**

Note A - Reconciliation of carrying amount

₹ in lacs

Year ended 31st March 2022

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 1.4.2021	Additions	Disposals	As at 31.3.2022	As at 1.4.2021	Charge for the year	On disposals	As at 31.3.2022	As at 31.3.2022
Own Asstes :									
Land	13.58	-	-	13.58	-	-	-	-	13.58
Buildings	621.38	-	-	621.38	150.57	29.90	-	180.47	440.91
Plant and equipment	2,454.11	21.70	1.77	2,474.04	677.32	152.76	1.23	828.85	1,645.19
Furniture and fixtures	5.02	0.75	0.01	5.76	3.38	0.80	0.01	4.17	1.59
Vehicles	144.05	35.00	10.07	168.98	78.11	18.48	6.42	90.17	78.81
Office equipments	30.39	9.54	0.39	39.54	25.26	5.15	0.39	30.02	9.52
Right to use assets :									
Leasehold Land	105.78	-	-	105.78	2.45	1.64	-	4.09	101.69
TOTAL	**3,374.31**	**66.99**	**12.24**	**3,429.06**	**937.09**	**208.73**	**8.05**	**1,137.77**	**2,291.29**

₹ in lacs

Year ended 31st March 2021

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 1.4.2020	Additions/ reclassified as ROU	Disposals	As at 31.3.2021	As at 1.4.2020	Charge for the year	On disposals	As at 31.3.2021	As at 31.3.2021
Own Asstes :									
Land	13.58	-	-	13.58	-	-	-	-	13.58
Buildings	621.38	-	-	621.38	120.52	30.05	-	150.57	470.81
Plant and equipment	2,450.80	6.08	2.77	2,454.11	528.33	149.87	0.88	677.32	1,776.79
Furniture and fixtures	4.98	0.38	0.34	5.02	3.05	0.53	0.20	3.38	1.64
Vehicles	162.16	-	18.11	144.05	67.33	19.05	8.27	78.11	65.94
Office equipments	36.33	2.48	8.42	30.39	26.81	6.87	8.42	25.26	5.13
Right to use assets :									
Leasehold Land	74.43	31.35	-	105.78	1.19	1.26	-	2.45	103.33
TOTAL	**3,363.66**	**40.29**	**29.64**	**3,374.31**	**747.23**	**207.63**	**17.77**	**937.09**	**2,437.22**

₹ in lacs

4.1

Capital work-in-progress	**As at the beginning**	**Additions during the year**	**Capitalised during the year**	**Disposals during the year**	**As at the end**
Year ended March 31, 2022	271.57	100.18	-	-	371.75
Year ended March 31, 2021	18.00	253.57	-	-	271.57

Capital work-in-progress ageing schedule

₹ in lacs

March 31, 2022	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-
Projects overdue from original planned completion date	100.17	253.58	18.00	-	371.75

₹ in lacs

March 31, 2021	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Projects in progress	253.57	18.00	-	-	271.57
Projects overdue from original planned completion date	-	-	-	-	-

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4.1 Capital work-in-progress (Continued)

Capital work-in-progress completion schedule

₹ in lacs

March 31, 2022	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
FGD project	364.65	-	-	-	364.65
Sewage Treatment Plant	7.10	-	-	-	7.10

Note C - Security

Refer note 18 and 20 for details of assets mortgaged.

5 **Intangible assets**

₹ in lacs

Software	
a. Year ended 31st March 2021	
Opening gross carrying amount	23.16
Additions	-
Disposals	-
Closing Gross Carrying Value	**23.16**
Opening accumulated amortisation	15.16
Amortisation charge for the year	6.27
On disposal	-
Closing accumulated amortisation	**21.43**
Net carrying amount	**1.73**
b. Year ended 31st March 2022	
Opening gross carrying amount	23.16
Additions	-
Disposals	-
Closing Gross Carrying Value	**23.16**
Opening accumulated amortisation	21.43
Amortisation charge for the year	1.73
On disposal	-
Closing accumulated amortisation	**23.16**
Net carrying amount	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

	₹ in lacs	₹ in lacs
	As at 31st March 2022	As at 31st March 2021
6 Non-current financial assets - Investments		
Investments in equity instruments at FVOCI		
Quoted (Non Trade):		
74,250 (31st March 2021: 74,250) fully paid up equity shares of ₹ 2/- each in ICICI Bank Limited	542.25	432.21
	542.25	432.21
Aggregate book value of quoted investment	542.25	432.21
Aggregate market value of quoted investment	542.25	432.21

The Company designated the investments shown below as equity shares at FVOCI because these equity shares represents investments that the Company intends to hold for long term.

	Fair value at As at 31st March 2022	Dividend income 2021-22	Fair value at As at 31st March 2021	Dividend income 2020-21
Investments in ICICI Bank Limited	542.25	1.49	432.21	-

No investments were disposed off during the year as well as the previous year, and there were no transfer of any cumulative gain or loss within equity relating to this investment.

	As at 31st March 2022	As at 31st March 2021
7 Non-current financial assets		
(Unsecured considered good, unless otherwise specified)		
Security deposits	70.68	72.51
	70.68	72.51

	As at 31st March 2022	As at 31st March 2021
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	70.68	72.51
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	70.68	72.51
Less: Loss allowance	-	-
Total	70.68	72.51

	As at 31st March 2022	As at 31st March 2021
8 Income tax assets (net)		
Advance tax (net of provision)	86.48	101.29
Taxes paid in dispute [Net of provision ₹ 444.51 lacs (31st March 2021 ₹ 444.51 lacs)]	1,183.40	1,162.95
	1,269.88	1,264.24

	As at 31st March 2022	As at 31st March 2021
9 Other non-current assets		
(Unsecured considered good, unless otherwise specified)		
Capital advances	328.81	328.81
Less: Provision for Capital advances	(72.02)	-
	256.79	328.81
Others		
- Prepaid expenses	3.65	4.16
	260.44	332.97

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	₹ in lacs As at 31st March 2022	₹ in lacs As at 31st March 2021
10 Inventories		
Raw materials	7,816.52	8,027.03
Finished goods	6,545.64	2,208.82
Stores and spares	328.08	289.26
	14,690.24	10,525.11
Carrying amount of inventories (included above) hypothecated (refer note 18 and 20 on borrowings)	14,690.24	10,525.11

The write back of inventories to net realisable value during the current year amounted to ₹ 144.41 lacs (31st March 2021: ₹ 736.76 lacs). These were recognised as an income during the current year and included in cost of material consumed or changes in inventories of finished goods in statement of profit and loss.

For method of valuation of inventories, please refer Note 3A f.

11 Current financial assets - Trade receivables	As at 31st March 2022	As at 31st March 2021
Unsecured		
- Considered good	2,822.54	6,439.84
- Considered doubtful	10.50	15.98
	2,833.04	6,455.82
Less : Allowances for doubtful trade receivables	(10.50)	(15.98)
	2,822.54	6,439.84

Break-up of security details	As at 31st March 2022	As at 31st March 2021
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	2,822.54	6,439.84
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	10.50	15.98
Total	2,833.04	6,455.82
Less: Loss allowance	(10.50)	(15.98)
Total trade receivables	2,822.54	6,439.84

Trade receivables with a carrying value of ₹ 2,822.54 lacs and ₹ 6,439.84 lacs have been given as collateral towards borrowings as at 31st March 2022 and 31st March 2021 respectively (refer note 18 and 20 on borrowings).

The credit period given to customers ranges from 7 days to 45 days. For the existing customers based on their past records, the Company fixes the credit limit as well as credit period. For new customers, Company generally supplies the goods against advances.

Of the trade receivables balance as at 31st March 2022, ₹ 2,597.47 lacs (31st March 2021 : ₹ 6,236.96 lacs) is due from Aluminum Smelters in India. Hence, the credit risk concentration is limited to the large Aluminum Smelters in India.

In accordance with Ind-AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Break-up of security details and ageing schedule;

₹ in lacs

As at 31st March 2022	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed receivables - considered good	2,774.22	47.84	-	-	-	-	2,822.06
Undisputed receivables - which have significant increase in credit risk	-	-	-	0.52	-	-	0.52
Undisputed receivables - credit impaired	-	-	-	-	-	-	-
Disputed receivables - considered good	-	-	-	-	-	-	-
Disputed receivables - which have significant increase in credit risk	-	-	-	-	-	10.46	10.46
Disputed receivables - credit impaired	-	-	-	-	-	-	-
Total	**2,774.22**	**47.84**	-	**0.52**	-	**10.46**	**2,833.04**
Less: Loss allowance							(10.50)
Total	**2,774.22**	**47.84**	-	**0.52**	-	**10.46**	**2,822.54**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

11 Current financial assets - Trade receivables (Continued)

Break-up of security details (Continued)

₹ in lacs

As at 31st March 2021	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed receivables - considered good	5,113.61	1,326.23	-	-	-	5.52	6,445.36
Undisputed receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed receivables - credit impaired	-	-	-	-	-	-	-
Disputed receivables - considered good	-	-	-	-	-	-	-
Disputed receivables - which have significant increase in credit risk	-	-	-	-	-	10.46	10.46
Disputed receivables - credit impaired	-	-	-	-	-	-	-
Total	**5,113.61**	**1,326.23**	**-**	**-**	**-**	**15.98**	**6,455.82**
Less: Loss allowance							(15.98)
Total	**5,113.61**	**1,326.23**	**-**	**-**	**-**	**15.98**	**6,439.84**

	₹ in lacs	₹ in lacs
12 Current financial assets - Cash and cash equivalents	**As at 31st March 2022**	**As at 31st March 2021**
Balances with banks in current accounts	1,123.45	0.16
Cash on hand	0.21	0.31
	1,123.66	0.47

13 Current financial assets - Other bank balances	**As at 31st March 2022**	**As at 31st March 2021**
Bank deposits having original maturity more than 3 months but not more than 12 months (including interest accrued thereon)	6.62	1,262.26
Margin money deposits and security against borrowings (including interest accrued thereon)*	16,762.98	1,466.62
Earmarked unpaid dividend accounts	41.46	44.15
	16,811.06	2,773.03

*Has been pledged to fulfill collateral requirements

14 Current financial assets - Others	**As at 31st March 2022**	**As at 31st March 2021**
(Unsecured considered good, unless otherwise specified)		
Security Deposits	2.91	4.00
Other receivables	6.03	9.27
	8.94	13.27

15 Other current assets	**As at 31st March 2022**	**As at 31st March 2021**
(Unsecured considered good, unless otherwise specified)		
Advances to suppliers	867.58	1,042.97
Prepaid expenses	68.45	133.67
Balances with government authorities including GST balance	1,475.58	924.27
Other receivables	21.75	4.56
	2,433.36	2,105.47

	As at 31st March 2022		As at 31st March 2021	
16 Equity share capital				
A Authorised share capital	Number of shares	₹ in lacs	Number of shares	₹ in lacs
Equity shares of ₹10 each with voting rights Balance as at beginning and as at the end of the year	22,000,000	2,200.00	22,000,000	2,200.00
Preference shares of ₹100/- each Balance as at beginning and as at the end of the year	300,000	300.00	300,000	300.00
B Issued, subscribed and fully paid up				
Equity shares of ₹10 each with voting rights Balance as at beginning and as at the end of the year	9,151,052	915.11	9,151,052	915.11
C Shares held by holding Company				
V. S. Dempo Holdings Private Limited Balance as at beginning and as at the end of the year	5,069,040	506.90	5,069,040	506.90

D Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2022 No. of Shares held	% of Shareholding	As at 31st March 2021 No. of Shares held	% of Shareholding
Promoters V. S. Dempo Holdings Private Limited	5,069,040	55.39%	5,069,040	55.39%
Total	5,069,040	55.39%	5,069,040	55.39%

E Details of shareholders holding of Promoters

Particulars	As at 31st March 2022 No. of Shares held	% of Shareholding	As at 31st March 2021 No. of Shares held	% of Shareholding
Promoters				
V. S. Dempo Holdings Private Limited	5,069,040	55.39%	5,069,040	55.39%
Motown Trading Private Limited	10	0.00%	10	0.00%
Shrinivas V. Dempo	395,939	4.33%	395,939	4.33%
Total	5,464,989	59.72%	5,464,989	59.72%

F Percentage change in shares held by promoters

Particulars	As at 31st March 2022	As at 31st March 2021
V. S. Dempo Holdings Private Limited	-	-
Motown Trading Private Limited	-	-
Shrinivas V. Dempo	-	-

G Terms / rights attached to equity shares:

The Company has only one class of issued equity shares having a face value of ₹10/- per share. Each holder of equity shares is entitled to one vote pe share. The Company declares and pays dividend in Indian rupees. In the event of liq iidation of the Company, the holders of equity shares will be entitled tc receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

H After the reporting dates the following dividend was proposed by the Board of Directors, subject to approval at the Annual General Meeting; the dividend ha not been recognised as liability.

Particulars	As at 31st March 2022	As at 31st March 2021
Final Dividend: Rs. 10 per equity share (March 31, 2021: Rs. Nil) subject to approval of shareholders at the Annual General Meeting	915.11	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

17 Other equity*

Nature and purpose of other reserves

General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer on net income at a specified percentage in accordance with the applicable regulations. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. The balances in the general reserve as determined in accordance with applicable regulations is ₹ 1803.05 lacs as at 31st March 2022 and 31st March 2021.

Equity instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments within equity. The Company transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.

Information regarding shares in the last five years

No shares were issued for consideration other than cash during the period of five years immediately preceding the year ended March 31, 2022. Further the Company has not undertaken any buy back of shares during the period of five years immediately preceding the year ended March 31, 2022.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

* Refer Statement of Changes in Equity

	₹ in lacs	₹ in lacs
	As at 31st March 2022	As at 31st March 2021
18 Non-Current financial liabilities - Borrowings		
Secured:		
Term Loan / Working Capital Term Loan		
Indian currency loan from banks	900.00	-
	900.00	-

Notes:

1) The Term Loan / Working Capital Term Loan facilities are secured by first and equitable mortgage on pari-passu basis of all immovable properties and by hypothecation of all movable properties, plant and equipments, inventories, trade receivables and other receivables of the Company.

2) The Term Loan / Working Capital Loan is repayable in 36 equited monthly instalment after the initial moratorium period of 24 months.

3) The Term Loan / Working Capital Term Loan carries interest rate rainging between 7.50% to 7.95% p.a.

(This space has been intentionally left blank)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

	₹ in lacs	₹ in lacs
19 Deferred tax liabilities (net)	**As at 31st March 2022**	**As at 31st March 2021**
Deferred tax liabilities (refer footnote (d) for breakdown)	430.37	19.82
Deferred tax assets (refer footnote (d) for breakdown)	(190.90)	-
	239.47	**19.82**

a) **Amount recognised in Statement of Profit and Loss**

Particulars	**Year ended 31st March 2022**	**Year ended March 31, 2021**
Current tax on profit for the year	95.00	-
Total current tax expense (i)	**95.00**	**-**
Origination and reversal of temporary differences	218.55	(10.86)
Total deferred tax expense (ii)	**218.55**	(10.86)
Tax expense for the year (i+ii)	**313.55**	**(10.86)**

b) **Amount recognised in other comprehensive income**

Particulars	**Year ended 31st March 2022**	**Year ended March 31, 2021**
Deferred tax credit on:		
Re-measurement of defined benefit obligation	(11.72)	10.86
Equity instruments through other comprehensive income	12.82	19.82
	1.10	**30.68**

c) **Reconciliation of tax expense and accounting profit multiplied by prevailing tax rate**

Particulars	**Year ended 31st March 2022**	**Year ended March 31, 2021**
Accounting (loss)/profit before tax	**4,091.48**	**(492.06)**
Indian tax rate as applicable to the company	25.168%	34.944%
Tax on profit at statutory tax rate	**1,029.74**	**(171.95)**
Non deductible expenses	18.50	12.03
Effect of unrecognised Deferred taxes in previous year	(1018.31)	161.87
Effect of change in tax rate	281.85	-
Others	1.77	(12.81)
Tax charge for the year	**313.55**	**(10.86)**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

19 Deferred tax liabilities (net) (continued)

d) Reconciliation of deferred tax (assets) / liabilities

₹ in lacs

Particulars	Balance as at 1st April 2020	Charged / (credited) to Statement of income	Charged / (credited) to OCI	Others	Balance as at 31st March 2021
Property, plant and equipment	-	-	-	-	-
Provision for doubtful debts / advances	-	-	-	-	-
Provision for employee benefits	-	(10.86)	10.86	-	-
Fair valuation of Investments	-	-	19.82	-	19.82
Others	-	-	-		-
	-	**(10.86)**	**30.68**	**-**	**19.82**

Particulars	Balance as at 1st April 2021	Charged / (credited) to Statement of income	Charged / (credited) to OCI	Others	Balance as at 31st March 2022
Property, plant and equipment	-	397.73	-	-	397.73
Provision for doubtful debts	-	(2.64)	-	-	(2.64)
Provision for employee benefits	-	(21.12)	(11.72)	-	(32.84)
Fair valuation of Investments	19.82	-	12.82	-	32.64
Others	-	(155.42)	-	-	(155.42)
	19.82	**218.55**	**1.10**	**-**	**239.47**

Note :
The Company has elected to exercise the option with regards to the tax rate mentioned under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized Provision for Income Tax for the year ended 31 March 2022 basis the rate prescribed in the said section.
The impact of this change has been recognized in the statement of Profit & Loss for the year ended 31 March 2022.

19 Income tax assets/(liabilties) (net)	₹ in lacs **As at 31st March 2022**	₹ in lacs **As at 31st March 2021**
Income Tax assets (net of provision)	**1,269.88**	**1,264.24**
Income Tax liabilities (net of advance tax)	**(18.73)**	-
	1,251.15	**1,264.24**

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	₹ in lacs	₹ in lacs
20 Current financial liabilities - Borrowings	As at 31st March 2022	As at 31st March 2021
Secured:		
From banks		
Loans repayable on demand		
Cash credit	-	3,094.46
Other Loans		
Bank Gurantee Buyers Credit	23,077.74	-
	23,077.74	3,094.46

Notes:

1) The cash credit and buyers credit facilities are secured by first and equitable mortgage on pari-passu basis of all immovable properties and by hypothecation of all movable properties, plant and equipments, inventories, trade receivables and other receivables of the Company.

2) Cash credit facilities availed from banks was payable on demand and carried interest rate ranging between 6.25% to 12.25% computed on a daily basis on the actual amount utilised.

3) Bank Gurantee Buyers Credit is repayable within 180 days and carries interest rate ranging between SOFR +12 bps to SOFR + 20 bps.

21 Current financial liabilities - Trade payables	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	664.43	72.91
Related parties (refer note 40)	81.86	15.63
Others*	5,221.46	14,667.08
	5,967.75	14,755.62

* Includes payable due to credit extended by suppliers amounting to ₹3,209.61 lacs (31st March 2021 : ₹13,182.35 lacs)

Trade Payables are normally settled within 7 to 180 days. The Company's imports of raw materials are based on the letter of credit issued by Bank of India/State Bank of India from whom the Company has availed non-fund based limits. Based on the Letter of Credit issued, overseas vendors supply Raw material on suppliers credit basis. The Non-fund based facilities are first secured by equitable mortgage on pari-passu basis of all immovable properties and then by hypothecation of movable property, plant and equipments, inventories, trade receivables and other receivables of the Company.

Trade payables ageing schedule

₹ in lacs

As at 31st March 2022	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and small enterprises	-	664.43	-	-	-	664.43
Others	1,230.81	4,052.56	1.53	0.12	18.30	5,303.32
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	1,230.81	4,716.99	1.53	0.12	18.30	5,967.75

₹ in lacs

As at 31st March 2021	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and small enterprises	-	72.91	-	-	-	72.91
Others	668.55	13,983.16	0.43	-	30.57	14,682.71
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	668.55	14,056.07	0.43	-	30.57	14,755.62

The company's exposure to currency and liquidity risk related to trade payables is disclosed in note 35.

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	₹ in lacs	₹ in lacs
22 Current financial liabilities - Others	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due	38.55	67.84
Interest accrued and due on unsecured loan from a related party (refer note 40)	-	121.01
Unclaimed dividends (refer footnote below)	41.46	44.15
Employee recoveries	2.33	2.15
Others (for payable pertaining to related parties refer note 40)	83.54	85.62
Derivative financial liability (refer note 35)	65.01	204.43
	230.89	525.20

There are no dues outstanding which are to be transferred to Investor Education and Protection Fund.

23 Other current liabilities	As at 31st March 2022	As at 31st March 2021
Statutory remittances (refer footnote below)	713.59	578.49
Contract liabilities (advance from customer)	14.34	23.14
	727.93	601.63

Statutory remittances include payable for PF, ESIC, GST, TDS, etc.

24 Current liabilities - Provisions	As at 31st March 2022	As at 31st March 2021
Provisions for employee benefits - compensated absences	74.38	54.04
	74.38	54.04

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		₹ in lacs		₹ in lacs
		Year ended 31st March 2022		Year ended 31st March 2021
25 Revenue from operations (net) (refer note 43)				
Sale of products		76,567.07		35,255.46
Other operating revenues - Sale of scrap		44.58		23.13
		76,611.65		35,278.59

		Year ended 31st March 2022		Year ended 31st March 2021
26 Other income				
Interest income from financial assets at amortised cost				
- Banks deposits	199.31		54.65	
- Others	3.00	202.31	3.16	57.81
Interest income from income tax refunds		1.86		1.03
Dividend income from non-current investments measured at FVOCI		1.49		-
Net gain on disposal of property, plant and equipment		1.43		1.43
Other non-operating income		48.07		5.53
		255.16		65.80
27 Cost of material consumed		67,225.56		28,460.51

	Year ended 31st March 2022	Year ended 31st March 2021
28 Changes in inventories of finished goods		
Inventories of finished goods at the end of the year	6,545.64	2,208.82
Inventories of finished goods at the beginning of the year	2,208.82	2,550.09
	(4,336.82)	341.27

	Year ended 31st March 2022	Year ended 31st March 2021
29 Employee benefit expense		
Salaries, wages, bonus and allowances	1,998.30	1,469.80
Contribution to provident and other funds	160.00	146.65
Staff welfare expenses	207.87	186.14
	2,366.17	1,802.59

		₹ in lacs		₹ in lacs
		Year ended 31st March 2022		Year ended 31st March 2021
30 Finance cost				
Interest expense on financial liabilities at amortised cost				
- Borrowings / credit from suppliers	505.08		431.21	
- Others	134.75	639.83	0.21	431.42
Other borrowing costs (letter of credit/ bank charges etc.)		980.98		535.21
		1,620.81		966.63

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2022 (Continued)

		₹ in lacs Year ended 31st March 2022		₹ in lacs Year ended 31st March 2021
31 Other expenses				
Fuel and power		464.18		356.90
Repairs and maintenance				
- Buildings	302.85		212.50	
- Plant and machinery	251.79		324.31	
- Others	37.20	591.84	27.73	564.54
Material handling charges		242.53		259.95
Rent		48.64		41.26
Rates and taxes		21.17		34.48
Insurance		61.93		56.78
Processing/labour charges		1,595.60		1,185.56
Travelling expenses		42.51		19.10
Packing expenses		519.25		369.58
Freight expenses (net)		1,211.74		759.87
Bad debts written off		4.63		1.17
Provision for doubtful debts		-		5.52
Payments to auditors (excluding goods and services tax)				
- Audit fees	19.00		16.00	
- Other services	6.00		9.00	
- Reimbursement of expenses	3.52	28.52	1.32	26.32
Directors' sitting fees & Commission		54.80		11.99
Assets written off		0.54		3.04
Corporate social responsibility (refer note 38)		-		33.16
Net loss on foreign currency transactions and translation (net)		335.51		58.66
General expenses (refer note 41)		465.76		263.67
		5,689.15		4,051.55

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

	₹ in lacs As at 31st March 2022	₹ in lacs As at 31st March 2021
31 Contingent Liabilities and capital commitment: (Claims against the Company not acknowledged as debts)		
(i) Income tax demands under appeal	247.44	247.44

(ii) 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 Honorable 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.

The amounts mentioned above are based on the notice of demand or the assessment orders issued by the relevant authorities, as the case may be. The Company is contesting these demands with the relevant appellate authorities. Outflows, if any, arising out of these demands would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. However, the Company is hopeful of successful outcome in the appellate proceedings.

(iii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution of provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has also obtained a legal opinion on the matter and basis the same there is no material impact on the financial statements. The Company would record any further effect on its financial statements, on receiving additional clarity on the subject.

32 The information as required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 as received by the Company and relied upon by Auditors is as follows:–

Particulars	As at 31st March 2022	As at 31st March 2021
Principal amount & interest due thereon (separately) payable to any supplier (under MSMED) at the end of each accounting year.		
- Principal amount	664.43	72.91
- Interest due thereon	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during each accounting year.		
- Principal amount	156.24	289.18
- Interest due thereon	-	-
Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act.	0.71	3.68
Amount of interest accrued and remaining unpaid at the end of each accounting year.	6.04	5.33
Amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Income Tax Act, 1961.	-	-

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

33 Leases

The Company incurred ₹ 32.65 lakh and ₹ 33.35 lakh for the years ended March 31, 2022 and 2021, respectively, towards expenses relating to short-term leases and leases of low-value assets.

34 Employee benefit plans

a) Defined benefit plans:

i) The following table sets out the status of the gratuity plan (included as part of "Contribution to provident and other funds" in Note 29 Employee benefit expense) as required under Ind AS 19:

	Particulars	₹ in lacs As at 31st March 2022	₹ in lacs As at 31st March 2021
i)	Change in present value of obligation		
	Defined benefit obligation at the beginning of the year	565.33	571.70
	Current service cost	30.93	31.12
	Interest cost	34.92	36.38
	Actuarial (gain)/ loss due to financial assumption	42.77	(12.73)
	Benefits paid	(45.59)	(61.14)
	Defined benefit obligation at the end of the year	628.36	565.33
ii)	Change in fair value of plan assets		
	Fair value of plan assets at the beginning of the year	666.23	621.67
	Interest income	42.40	40.76
	Re-measurement gain / (loss) arising from return on plan assets	(3.77)	18.35
	Contributions received	1.49	46.59
	Benefit paid	(45.59)	(61.14)
	Fair value of plan assets at the end of the year	660.76	666.23
iii)	Net assets/(liability) recognised in the Balance Sheet		
	Defined benefit obligation at the end of the year	628.36	565.33
	Fair value of the plan assets at the end of the year	660.76	666.23
	Excess of plan asset over obligation	32.40	100.90

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34 Employee benefit plans (Continued)

		₹ in lacs As at 31st March 2022	₹ in lacs As at 31st March 2021
iv)	Expenses recognised in the Statement of Profit and Loss		
	Current service cost	30.93	31.12
	Net Interest	(7.48)	(4.38)
	Net cost recognised in the Statement of Profit and Loss	23.45	26.74
v)	Expenses recognised in Other Comprehensive Income		
	Actuarial (gain)/losses on obligation	42.77	(12.73)
	Re-measurement gain arising from return on plan assets	3.77	(18.35)
	Total actuarial (gain)/losses recognised in OCI	46.54	(31.08)
vi)	Return on plan assets		
	Expected return on plan assets	42.40	40.76
	Re-measurement gain / (loss) arising from return on plan assets	(3.77)	18.35
	Actual return on plan assets	38.63	59.11

vii) The projected service cost for the financial year ended 31st March 2022 is ₹ 32.31 lacs (Previous year: ₹ 30.92 lacs)

Funding levels are assessed by LIC and ICICI on annual basis and the company makes contribution as per the instructions received from them. The Company compares the expected contribution to the plan as provided by actuary with the instruction from LIC and ICICI and assesses whether any additional contribution may be required. The Company considers the future expected contribution will not be significantly increased as compared to actual contribution.

viii) Asset Information

Allocation of plan assets	LIC* ₹ in lacs As at 31st March 2022	LIC* ₹ in lacs As at 31st March 2021	ICICI Prudential Life Insurance Co. Ltd. ₹ in lacs As at 31st March 2022	ICICI Prudential Life Insurance Co. Ltd. ₹ in lacs As at 31st March 2021
Gratuity fund	289.80	273.94	-	-
Growth Fund - Equity			219.01	207.58
Debt Fund	-	-	108.66	144.89
Balance fund	-	-	43.16	39.73
Property / Other	-	-	0.13	0.09
Total itemized assets	289.80	273.94	370.96	392.29

* The category wise details of the plan assets maintained by LIC is not available.

ix) Assumption

	As at 31st March 2022	As at 31st March 2021
Rate of Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult
Discount rate	6.97%	6.42%
Expected salary increase rate	5.00%	5.00%
Attrition rate	1.00%	1.00%

The estimates of future salary increases considered in the actuarial valuation, take into account inflation, seniority, promotions, increments and other related factors such as supply and demand in the employment market.

x) Sensitivity Analysis

	31st March 2022 DR - Discount Rate PVO DR +1%	31st March 2022 DR - Discount Rate PVO DR -1%	31st March 2022 ER - Salary Escalation Rate PVO ER +1%	31st March 2022 ER - Salary Escalation Rate PVO ER -1%
Present value of obligation ('PVO')	595.25	665.24	664.90	594.64

	31st March 2021 DR - Discount Rate PVO DR +1%	31st March 2021 DR - Discount Rate PVO DR -1%	31st March 2021 ER - Salary Escalation Rate PVO ER +1%	31st March 2021 ER - Salary Escalation Rate PVO ER -1%
Present value of obligation ('PVO')	533.07	601.42	601.09	532.81

xi) Asset liability comparisons

Year	31.03.2018	31.03.2019	31.03.2020	31.03.2021	31.03.2022
PVO at end of period	483.21	508.71	571.70	565.33	628.36
Plan assets	519.81	560.29	621.67	666.23	660.76
Surplus	36.60	51.58	49.97	100.90	32.40
Experience adjustments on plan assets	(16.67)	(14.51)	1.62	18.35	(3.77)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

34 Employee benefit plans (Continued)

ii) Risk analysis
Company is exposed to a number of risks in the defined benefit plan. Most significant risks pertaining to defined benefits plan and management estimation of the impact of these risks are as follows:

a. Investment risk
The gratuity plan is funded with Life Insurance Corporation of India (LIC) and ICICI Prudential Life (ICICI). Company does not have any liberty to manage the fund provided to LIC and ICICI prudential.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

b. Interest risk
A decrease in the interest rate on plan assets will increase the plan liability.

c. Longevity risk/ Life expectancy
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

d. Salary growth risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

b) Defined contribution plans:

A sum of ₹ 136.55 lacs (Previous year ₹ 146.65 lacs) has been charged to the Statement of P ofit and Loss in respect of Company's contribution to superannuation fund, provident and pension fund.

35 Financial instruments - Fair value and risk management

i Financial risk management objective and policies
This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 3A d.

ii Accounting classification and fair value
The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

₹ in lacs

Financial Assets	Note	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value	Total fair value
As at 31st March 2021						
Financial assets measured at fair value						
Non-current investments - Equity Shares in ICICI Bank Limited	6	-	432.21	-	432.21	432.21
*Financial assets not measured at fair value **						
Other non-current financial assets	7	-	-	72.51	72.51	-
Trade receivables	11	-	-	6,439.84	6,439.84	-
Cash and cash equivalents	12	-	-	0.47	0.47	-
Other bank balances	13	-	-	2,773.03	2,773.03	-
Other current financial assets	14	-	-	13.27	13.27	-
Total		-	432.21	9,299.12	9,731.33	432.21
As at 31st March 2022						
Financial assets measured at fair value						
Non-current investments - Equity Shares in ICICI Bank Limited	6	-	542.25	-	542.25	542.25
*Financial assets not measured at fair value **						
Other non-current financial assets	7	-	-	70.68	70.68	-
Trade receivables	11	-	-	2,822.54	2,822.54	-
Cash and cash equivalents	12	-	-	1,123.66	1,123.66	-
Other bank balances	13	-	-	16,811.06	16,811.06	-
Other current financial assets	14	-	-	8.94	8.94	-
Total		-	542.25	20,836.88	21,379.13	542.25

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35 Financial instruments - Fair value and risk management (Continued)

₹ in lacs

Financial Liabilities	Note	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value	Total fair value
As at 31st March 2021						
Financial liabilities measured at fair value						
Derivative financial liability	22	204.43	-	-	204.43	204.43
Financial liabilities not measured at fair value *						
Borrowings	18 & 20	-	-	3,094.46	3,094.46	-
Trade payables	21	-	-	14,755.62	14,755.62	-
Other current financial liabilities	22	-	-	320.77	320.77	-
Total		204.43	-	18,170.85	18,375.28	204.43
As at 31st March 2022						
Financial liabilities measured at fair value						
Derivative financial liability	22	65.01	-	-	65.01	65.01
Financial liabilities not measured at fair value *						
Borrowings	18 & 20	-	-	23,977.74	23,977.74	-
Trade payables	21	-	-	5,967.75	5,967.75	-
Other current financial liabilities	22	-	-	165.88	165.88	-
Total		65.01	-	30,111.37	30,176.38	65.01

* Financial assets and liabilities such as trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, loans, advances, borrowings, trade payables, interest accrued but not due on borrowings, unclaimed dividends, security deposits and others are largely short term in nature. The fair value of these financial assets and liabilities approximate there carrying amount due to the short term nature of such assets and liabilities.

iii <u>Valuation techniques used to determine fair value</u>

a) The fair value of forward exchange contract is determined using forward exchange rate at the balance sheet date. The fair value of equity shares in ICICI Bank Limited is determined basis the quoted market price.

b) The finance department of the Company performs the valuation of financial assets and liabilities required for financial reporting purposes. The finance department reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance department at least once every three months, in line with the Company's quarterly reporting periods.

iv <u>Fair value hierarchy</u>

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

₹ in lacs

As at 31st March 2021	Level 1	Level 2	Level 3
Financial assets			
Non-current investments - Equity Shares in ICICI Bank Limited	432.21	-	-
Financial liabilities			
Other current financial liablities - Derivative financial liability	-	204.43	-
Total	432.21	204.43	-

As at 31st March 2022	Level 1	Level 2	Level 3
Financial assets			
Non-current investments - Equity Shares in ICICI Bank Limited	542.25	-	-
Financial liabilities			
Other current financial liablities - Derivative financial liability	-	65.01	-
Total	542.25	65.01	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Contir ued)

35 Financial instruments - Fair value and risk management (Continued)

v Risk management framework

a Risk management
The Company's business is subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers at both the corporate and plant level. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance functions and is regularly reviewed by the Company's Audit Committee. The Audit Committee meets regularly to review risks as well as the progress against the planned actions. Key business decisions are also discussed at the periodic meetings of the Audit committee and the Board of Directors. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee and the Board.

The risk management framework aims to:
- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

b. Treasury management
The Company's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal reports which analyses exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Company uses derivative instruments (forward contracts) as part of its management of exposure to fluctuations in foreign currency exchange rates. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

c. Price risk on raw materials and finished goods i.e. RPC and CPC
The Company imports raw material only based on the confirmed orders in hand and indicated orders placed by the reputed aluminum smelters. The Company enters into contract with the major aluminum smelters for the supply of CPC on quarterly basis with the agreed selling price.

d. Financial risk
The Company avails credit from overseas suppliers for a period of 180 days. The Company collects dues from the customers within a period of 30 days. The Company places fixed deposits with the Company Bankers and the Company's liquid assets like trade receivables, finished goods and raw material which has been procured based on the confirmed orders/indicated orders will be sufficient enough to repay the outstanding payables. The management regularly monitors the liquid assets value vis-a-vis outstanding balance of payables.

e. Liquidity risk
The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening its balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the company.

₹ in lacs

Financial liabilities	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at 31st March 2021					
Borrowings	3,094.46	-	-	-	3,094.46
Trade payables	14,755.62	-	-	-	14,755.62
Other financial liabilities	525.20	-	-	-	525.20
Total	**18,375.28**	**-**	**-**	**-**	**18,375.28**

₹ in lacs

Financial liabilities	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at 31st March 2022					
Borrowings	23,077.74	711.11	188.89	-	23,977.74
Trade payables	5,967.75	-	-	-	5,967.75
Other financial liabilities	230.89	-	-	-	230.89
Total	**29,276.38**	**711.11**	**188.89**	**-**	**30,176.38**

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Chartered Accountants

GOA CARBON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

35 Financial instruments - Fair value and risk management (Continued)

As at 31st March 2022, the Company had access to funding facilities (both fund based and non-fund based) of ₹ 25,800.00 lacs, of which ₹ 9,040.00 lacs was yet not drawn, as set out below:

₹ in lacs

Funding facility	Total Facility	Drawn	Undrawn
	As at 31st March 2022		
Less than 1 year			
Fund Based Limit	9,040.00	-	9,040.00
Non-fund Based Limit	15,860.00	15,860.00	-
1-5 years and above	900.00	900.00	-
Total	**25,800.00**	**16,760.00**	**9,040.00**

As at 31st March 2021, the Company had access to funding facilities (both fund based and non-fund based) of ₹ 25,931.28 lacs, of which ₹ 9,446.47 lacs was yet not drawn, as set out below:

₹ in lacs

Funding facility	Total Facility	Drawn	Undrawn
	As at 31st March 2021		
Less than 1 year			
Fund Based Limit	9,281.28	3,094.46	6,186.82
Non-fund Based Limit	16,650.00	13,390.35	3,259.65
1-5 years and above	-	-	-
Total	**25,931.28**	**16,484.81**	**9,446.47**

Collateral

The Company has pledged its inventory, trade receivables and cash and cash equivalents in order to fulfill the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collaterals.

f. Foreign exchange risk

The Company's business activities include import of raw materials like Raw Petroleum Coke, which are linked to international price in dollar terms. As a result the company is exposed to exchange rate fluctuation on its imports.

g. Interest rate risk

The Company avails foreign currency loan in the form of Buyers credit facilities with overseas banks with tenure of 180 days at an interest rate of 6 months SOFR with certain agreed additional basis points. Since the rate is fixed and agreed well in advance, the Company is not exposed to interest-rate risk due to adverse movement in interest rates. Also, the Company has availed credit upto 180 days from its overseas suppliers for part of the year. The cost for extending credit is fixed with suppliers upfront and hence the Company is not exposed to interest rate risk.
Non current borrowings mainly involved term loan from the banks for tenure of 36 equated monthly instalments after moratorium period of 24 months. Since the rate is fixed and agreed as per the sanction letters, the Company is not exposed to interest-rate risk due to adverse movement in interest rates.

h. Derivative financial instruments

The Company enters into forward contracts which are not intended for trading or speculative purposes, but for hedging.

a) Forward Exchange Contracts outstanding at the year end:

As at 31st March 2022				As at 31st March 2021			
Buy-Sell	No. of Contracts	US Dollars	₹ in lacs	Buy-Sell	No. of Contracts	US Dollars	₹ in lacs
Buy	19	34,632,917	26,567.70	Buy	4	11,993,831	9,015.69

b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31st March 2022		As at 31st March 2021	
	US Dollars	₹ in lacs	US Dollars	₹ in lacs
Amount payable in foreign currency				
Bank Gurantee Buyer's Credits	48,110	36.47	-	-
Trade payable	92,176	67.97	6,035,769	4,413.05
Interest accrued but not due on borrowings / suppliers credit	45 678	34.62	91,185	66.67

GOA CARBON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

36 Capital management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.
The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components excluding other components of equity (which comprise non-current financial investments measured through OCI).

37 Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Executive Director (ED) to make decisions about resources to be allocated to the segments and assess their performance.

The principal business of the Company is manufacture and sale of Calcined Petroleum Coke. The chief decision maker of the Company monitors the operating results of the Company's business as a single segment. Accordingly in context of Ind AS 108 "Operating Segments", the principle business of the Company constitutes a single reportable segment and all the revenue is generated from external customer. As per Management's perspective, the risk and returns from its sales do not materially vary geographically. Accordingly there are no other business / geographical segments to be reported under Ind AS 108.

38 Corporate social responsibility expense

Particulars	31st March 2022	31st March 2021
	₹ in lacs	₹ in lacs
a) Amount required to be spent by the company for the year	-	33.14
b) Amount of expenditure incurred till date;	-	-
Paid		
i) Construction / acquisition of any assets	-	-
ii) On purpose other than (i) above *	-	33.16
Yet to be paid		
i) Construction / acquisition of any assets	-	-
ii) On purpose other than (i) above *	-	-
Total	-	-
c) shortfall at the end of the year	-	-
d) total of previous years shortfall	-	-
e) reason for shortfall	N/A	N/A
f) nature of CSR activities,	N/A	Promoting Healthcare, Education, Rural development projects, Environment Sustainability & Training to promote rural and/or nationally recognised sports
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	N/A	N/A

Amount remaining to be spent for the year 2021-22 is ₹ Nil.
Amount spent during the year 2021-22 for the previous year 2020-21 ₹ Nil.

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

40 Disclosures in respect of Related Parties pursuant to Ind AS 18

i)	List of related parties:
	Names of the related parties and nature of relationship
a	Holding Company: V. S. Dempo Holdings Private Limited
b	Fellow Subsidiaries (with whom transactions have taken place during the year): Dempo Industries Pvt. Ltd. Dempo Travels Pvt. Ltd. Dempo Sports Club Pvt. Ltd
c	Individual who is able to exercise significant influence: Mr. Shrinivas V. Dempo (Chairman)
d	Enterprises over which Mr. Shrinivas V. Dempo is able to exercise significant influence (with whom transactions have taken place during the year): Vasantrao Dempo Education and Research Foundation Vassudeva Dempo Family Private Trust Matruchhaya Trust
e	Key Management Personnel: Mr. Shrinivas V. Dempo (Chairman) Mr. Keki M. Elavia (Independent Director) (till 08th April 2021) Mr. Nagesh Pinge (Independent Director) Ms. Kiran Dhingra (Independent Director) Mr. Subodh Nadkarni (Independent Director) (From 07th January 2021) Mr. Rajesh S. Dempo (Non-Executive Director) Mr. Jagmohan J. Chhabra (Executive Director till 31st March 2022, Non-Executive Director w.e.f. 01 April 2022) Mr. Anupam Misra (Chief Executive Officer) (From 1st April 2022) Mr. Pravin Satardekar (Company Secretary) Mr. K. Balaraman (Chief Financial Officer)

ii)	Disclosure of transactions with Related Parties.	₹ in lacs Year ended 31st March 2022	₹ in lacs Year ended 31st March 2021
a	**Expenses incurred**		
	Dempo Industries Pvt. Ltd.	1.80	2.95
	Dempo Travels Pvt. Ltd.	16.23	12.22
b	**Rent paid**		
	V. S. Dempo Holdings Private Limited	32.60	33.35
c	**Sponsorship**		
	Dempo Sports Club Pvt. Ltd	125.00	90.00
d	**Corporate social responsibility expense**		
	Vasantrao Dempo Education & Research Foundation #	-	32.84
	Matruchhaya Trust #	-	0.30
e	**Guarantee commission**		
	Shri Shrinivas V. Dempo	83.90	56.79
f	**Interest on Inter Corporate Deposit**		
	Shri Shrinivas V. Dempo	112.77	-
g	**Inter Corporate Deposits received**		
	Shri Shrinivas V. Dempo	2,000.00	-
h	**Inter Corporate Deposits repaid**		
	Shri Shrinivas V. Dempo	2,000.00	-
i	**Remuneration**		
	Short term employee benefit and post employement benefits		
i)	Salary and other employee benefits* :		
	Mr. Jagmohan J. Chhabra (Executive Director)	162.46	112.02
	Mr. Pravin Satardekar (Company Secretary)	31.70	26.13
	Mr. K. Balaraman (Chief Financial Officer)	70.50	59.95
ii)	Commission and other benefits paid / payable to Non-Executive and Independent Directors		
	a. Commission	43.20	-
	b. Sitting fees	11.60	11.99

* As compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

The amount will be utilised by the related party for the purpose of corporate social responsibility.

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40 Disclosures in respect of Related Parties pursuant to Ind AS 18 (Continued)

		₹ in lacs As at 31st March 2022	₹ in lacs As at 31st March 2021
iii)	**Outstanding payable as at year end.**		
	V. S. Dempo Holdings Private Limited	9.01	121.01
	Dempo Industries Pvt Ltd	-	0.35
	Dempo Sports Club Pvt. Ltd	68.00	14.78
	Dempo Travels Pvt. Ltd.	4.85	0.50
	Shri Shrinivas V. Dempo	56.49	64.88
iv)	**Guarantee given on behalf of the Company**		
	Shri Shrinivas V. Dempo	4,900.00	4,931.28

All transactions with the related party are priced on an arm's length basis and resulting outstanding balances are to be settled in cash within one to six months of the reporting period.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

41 General expenses include donations given to Political Parties as under :

₹ in lacs

Name of the Political Party		Year ended 31st March 2022	Year ended 31st March 2021
1	Goa Pradesh Congress Party	10.00	-
2	Bhartiya Janata Party	15.00	-
3	Aam Admi Party	5.00	-
4	Electoral Bonds	50.00	-
		80.00	-

42 Earnings per share:

₹ in lacs

		Year ended 31st March 2022	Year ended 31st March 2021
i)	Profit / (Loss) after tax as per the Statement of Profit and Loss (₹ in lacs)	3,777.93	(481.20)
ii)	Number of equity shares	9,151,052	9,151,052
iii)	Basic and diluted earnings per share of ₹ 10 each (₹)	41.28	(5.26)

43 Contracts with customer

₹ in lacs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Revenue recognised from contracts with customers	76,611.65	35,278.59
Disaggregation of revenue		
Based on type of goods		
- Sale of calcined petroleum coke	76,567.07	35,255.46
- Sale of scrap	44.58	23.13
Based on market		
- Aluminum smelters	72,076.24	31,188.92
- Others	4,535.41	4,089.67
Impairment losses / (reversals) recognised on receivables or contract assets arising from an entity's contracts with customers	(5.48)	5.52

Details of contact balances:

₹ in lacs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Opening balance of receivables	6,439.84	2,165.06
Closing balance of receivables	2,822.54	6,439.84
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	23.14	7.47
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

There is no significant change in the contract asset and contract liabilities.

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43 Contracts with customer (Continued)

Performance obligations

The Company satisfies its performance obligations pertaining to the sale of calcined products at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract subject to refund due to shortages during the mode of transportation and do not contain any financing component. The payment is generally due within 7-45 days. The Company is obliged for refunds due to shortages during the mode of transportation. There are no other significant obligations attached in the contract with customer.

Transaction price

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the entity's performance completed to date.

Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

Reconciliation of contract price with revenue recognised in statement of profit and loss:

₹ in lacs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Contract price	76,860.88	35,243.49
Less:		
Amount recognised as shortages / other claims	249.23	(35.10)
Revenue recognised in statement of profit and loss	76,611.65	35,278.59

Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.

44 Quarterly Statement disclosure as per the Schedule III requirements

The Company has availed loans from banks on the basis of security. The Company files statement with the bank on periodical basis. The difference between the statements filed by the Company and the books of accounts are as below :

₹ in lacs

Particulars	Name of Bank	Quarter ended	Amount as per books of account	Amount as reported in the quarterly return /statement	Amount of difference	Reason for difference or discrepancies
Payables	Bank of India and State Bank of India	30 June 2020	9,920.30	8,886.62	1,033.68	Refer footnote 2 below
Inventory	Bank of India and State Bank of India	30 September 2020	6,807.80	6,285.56	522.24	Refer footnote 1 below
Inventory	Bank of India and State Bank of India	31 December 2020	11,502.93	11,682.49	(179.56)	Refer footnote 1 below

Major differences between the financial Statements and the Information submitted to the Banks are on account of :

1. Inventories reported to the Bank does not include entries considered in the Books of Accounts post submission of information.
2. Payables reported to the Bank do not include certain payables as per the specified terms of understanding with the Bank.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

45 Ratios as per the Schedule III requirements

₹ in lacs

(a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Current Assets	37,889.80	21,857.19
Current Liabilities	30,097.42	19,030.95
Ratio	**1.26**	**1.15**
% change from 31st March 2021	**10%**	

Reason for change more than 25%:
Change is not more than 25%.

(b) Debt Equity ratio/ Gearing ratio = Total debt divided by Total equity

Particulars	As at 31st March 2022	As at 31st March 2021
Total debt	23,977.74	3,094.46
Total equity	11,459.20	7,618.87
Ratio	**2.09**	**0.41**
% change from 31st March 2021	**415%**	

Reason for change more than 25%:
Consequent to steep increase in raw material price, Company's working capital requirement has gone up which resulted in increase in borrowings by placing additional margin money deposit with banks. Further Company had availed Working Credit loan under Guaranteed Emergency Credit Line from Banks.

(c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest

Particulars	As at 31st March 2022	As at 31st March 2021
Profit / (loss) for the year	4,091.48	(492.06)
Add: Depreciation and amortizations	210.46	213.90
Add: Finance cost	1,620.81	966.63
Add: (Profit) / loss on sale of property, plant and equipment	(1.43)	(1.43)
Earnings available for debt services	**5,921.32**	**687.04**
Finance cost paid	1,771.11	954.94
Total Interest	**1,771.11**	**954.94**
Ratio	**3.34**	**0.72**
% change from 31st March 2021	**365%**	

Reason for change more than 25%:
Due to increase in profitability in current year as compared the losses incurred during previous year, debt-service coverage ratio has improved significantly.

(d) Return on Equity Ratio / Return on Investment Ratio = Profit for the year divided by average equity

Particulars	As at 31st March 2022	As at 31st March 2021
Profit / (loss) for the year	4,091.48	(492.06)
Average equity	9,539.04	7,763.36
Ratio	**0.43**	**(0.06)**
% change from 31st March 2021	**777%**	

Reason for change more than 25%:
Increase is on account of significant increase in the profit in the current year as compared to losses in previous year.

(e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at 31st March 2022	As at 31st March 2021
Cost of goods sold	62,888.74	28,801.78
Average Inventory	12,607.68	10,125.21
Ratio	**4.99**	**2.84**
% change from 31st March 2021	**75%**	

Reason for change more than 25%:
Increase in the ratio during current year as compared to previous year is mainly due to better procurement strategy adopted by the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022 (Continued)

45 Ratios as per the Schedule III requirements (Continued)

₹ in lacs

(f) Trade Receivables turnover ratio = Revenue from operations (excluding other operating revenue) divided by average trade receivables

Particulars	As at 31st March 2022	As at 31st March 2021
Revenue from operations	76,611.65	35,278.59
Less: other operating revenue	(44.58)	(23.13)
Net sales	**76,567.07**	**35,255.46**
Average Trade Receivables	4,631.19	4,302.45
Ratio	**16.53**	**8.19**
% change from 31st March 2021	**102%**	

Reason for change more than 25%:
Discount given on early payment received from customer has resulted into improvement in the Trade Receivable Turnover ratio in current year

(g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at 31st March 2022	As at 31st March 2021
Credit Purchases	72,326.37	33,510.63
Average Trade Payables	10,361.69	13,315.57
Ratio	**6.98**	**2.52**
% change from 31st March 2021	**177%**	

Reason for change more than 25%:
Significant increase in the ratio is on account of payment made to import creditors through buyers credit, this financing strategy was not there in previous year.

(h) Net capital Turnover Ratio = Net sales divided by Net Working Capital (whereas net working capital = current assets - current liabilities)

Particulars	As at 31st March 2022	As at 31st March 2021
Net Sales	76,567.07	35,255.46
Net working capital	7,792.38	2,826.24
Ratio	**9.83**	**12.47**
% change from 31st March 2021	**-21%**	

Reason for change more than 25%:
Change is not more than 25%.

(i) Net profit ratio = Profit for the period divided by net sales

Particulars	As at 31st March 2022	As at 31st March 2021
Profit / (loss) for the year	4,091.48	(492.06)
Net Sales*	76,567.07	35,255.46
Ratio	**0.05**	**(0.01)**
% change from 31st March 2021	**483%**	

Reason for change more than 25%:
Significant change is on account of losses in the comparable year

(j) Return on capital employed = Adjusted EBIT divided by Capital Employed (total equity plus debt and deferred tax liability)

Particulars	As at 31st March 2022	As at 31st March 2021
Profit / (loss) for the year	4,091.48	(492.06)
Add: Depreciation and amortisation	210.46	213.90
Add: Finance costs	1,620.81	966.63
Add: Tax expenses	313.55	(10.86)
EBITDA	**6,236.30**	**677.61**
EBIT	**6,025.84**	**463.71**
Total equity	**11,459.20**	**7,618.87**
Deferred tax liability	**239.47**	**19.82**
Non-current borrowings	900.00	-
Current borrowings	23,077.74	3,094.46
Total debt	**23,977.74**	**3,094.46**
EBIT	6,025.84	463.71
Capital Employed	35,676.41	10,733.15
Ratio	**0.17**	**0.04**
% change from 31st March 2021	**291%**	

Reason for change more than 25%:
Increase in the ratio during current year as compared to previous year is due to increase in average selling price of finished goods due to which the Company has earned profits in the current year.

46 Additional regulatory information required by Schedule III

a. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
b. The Company has not been declared wilful defaulter by any bank or financial institution or gove nment or any government authority.
c. The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
d. The Company has complied with the number of layers prescribed under the Companies Act, 2013.
e. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
f. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
g. The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
h. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune, Maharashtra
Dated: 28 May 2022

For and on behalf of the Board of Directors of Goa Carbon Limited
(CIN: L23109GA1967PLC000076)

Shrinivas V. Dempo
Chairman and Non Executive Director
DIN:00043413

Jagmohan J. Chhabra
Non Executive Director
DIN:01007714

Anupam Misra
Executive Director
DIN: 0009615362

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

Pravin R. Satardekar
Company Secretary
M.No.: ACS - 24380

Place: Panaji, Goa
Dated: 28 May 2022

GOA CARBON LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Unaudited Financial Results for the six months period ended September 30, 2022 and Audited Financial Statements as of and for the Fiscal ended March 31, 2022 and March 31, 2021 included in this Draft Letter of Offer. Our Unaudited Financial Results for the six months period ended September 30, 2022 and Audited Financial Statements for Fiscal 2022 and Fiscal 2021 are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the Financial Statements of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 16 and 13 respectively.

Our financial year ends on March 31 of each year, so all references to a particular "financial year" and "Fiscal" are to the twelve (12) month period ended March 31 of that year. References to the "Company", "we", "us" and "our" in this chapter refer to Goa Carbon Limited, as applicable in the relevant period, unless otherwise stated.

OVERVIEW OF OUR BUSINESS

We are a flagship manufacturing company of Dempo Group engaged in the business of manufacturing and marketing calcined petroleum coke ("**CPC**"). Our business model is fundamentally a B2B model wherein we supply our product, CPC, primarily to aluminum smelters, graphite electrode and titanium dioxide manufacturers as well as other users in the metallurgical and chemical industries as per their specifications. We sell our product to our customers located at Odisha, Madhya Pradesh and Uttar Pradesh etc.

We currently operate three (3) manufacturing plants each located at (i) Salcete, Goa ("**Plant I**"); (ii) Bilaspur, Chhattisgarh ("**Plant II**"); and (iii) Paradeep, Odisha *(formerly Orissa)* ("**Plant III**" together with Plant I and Plant II referred to as "**Manufacturing Plant(s)**"). For the six months period ended September 30, 2022, Fiscal 2022 and Fiscal 2021, the aggregate installed capacity of the manufacturing units was 3,08,000 metric tons (comprising of intermediate and final products) and produced 79,894 metric tons, 180,982 metric tons and 1,45,068 metric tons of Calcined Petroleum Coke, respectively. Our Plant I has an installed capacity of 1,00,000 metric tons per annum, our Plant II has an installed capacity of 40,000 metric tons per annum and Plant III has an installed capacity of 1,68,000 metric tons per annum *(Certified by Chartered Engineer, Sawkar Associates, having registration no. M52274vide its certificate dated November 21, 2022).*Our Manufacturing Plants are strategically located close to the Paradeep and Goa port which puts our Company in more strategic and operational advantageous position which facilitates on time deliveries and improved efficiencies. This fully integrated environment and well-defined processes provide us competitive advantages in terms of maintenance of quality.

Our Plant I located at Goa is located in close vicinity of our customer and India's leading aluminum manufacturing company which gives us an operationally advantageous position. Our Plant II in Bilaspur is located very close to steel and aluminum plants and foundries of our customers which facilitates on time deliveries and improved efficiencies. Our Plant III is located on the east coast catering to India's leading integrated aluminum smelter. Additionally, our Goa and Paradeep plants are in the close vicinity of the Goa and Paradeep port, respectively, which puts us in an advantageous position for procurement of raw materials from overseas market. The aluminum smelters prefer to buy CPC directly from calciners and discourage purchase of CPC through traders. All our Manufacturing Plants are equipped with modern plant and machinery capable of providing quality CPC and have received quality control certification such as ISO 9001:2015 and ISO 14001:2015 for manufacturing and dispatch of calcined petroleum coke from raw petroleum coke.

In Fiscal 2022, our CPC production increased to 1,80,982 metric tonnes as against 1,45,068 metric tonnes in Fiscal 2021. We sold 1,79,990 metric tonnes of CPC to our customers in Fiscal 2022, as against 1,56,018 metric tonnes of CPC in Fiscal 2021. In Fiscal 2022 and six months ended September 30, 2022, 1,69,661 metric tonnes and 80,636metric tonnes respectively, of our CPC sales (in metric tonnes) were made to Aluminum smelters. Our customers are amongst the leading aluminum and metal manufacturing companies in India and the World. For half year ended September 30, 2022, our top 5 customers contribute to 98.16 % of our revenue from operations. As on December 6, 2022, our Company has an order book of ₹21,166.87 Lakhs with customers of Aluminum smelters.

Our operations are subject to environmental laws and regulations, which govern, among other things, the handling, storage and by products as well as employee health and safety. Further, our Company has quality and environmental policy on April 1, 2018, January 7, 2022 and August 16, 2017 for our Plant I, Plant II and Plant III, respectively, wherein our Company ensure, *inter alia*, to comply with legal and their statutory obligations and company commitment relate to environmental aspects, monitor the environmental performance through regular audits and create awareness of environmental responsibilities and access suitable training. Our growth is further driven by our ability to make available an assortment of quality product over 44 years for manufacturing and marketing of CPC.

We believe that the financial performance is expected to improve further with the continuing restrictions on the import of CPC by the aluminium smelters which is capped by the Supreme Court of India *vide* its order dated October 9, 2018 at 0.50 million tonnes per annum, the additional requirement of aluminium smelters will have to be met from domestic supplies within India.

Our Company is led by our experienced senior management. We believe that our management's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences.

Our Financial Performance

Our financial performance, are summarised below:

(₹ in Lakhs)

Particulars	For six months ended September 30, 2022 (Unaudited)	Fiscal	
		2022 (Audited)	2021 (Audited)
Revenue from operation	63,156.55	76,611.65	35,278.59
EBITDA*	8,648.91	5,922.75	688.47
Profit/(Loss) for the period	4,987.69	3,777.93	(481.20)

**EBITDA comprises of earnings before interest, tax, depreciation and amortization.*

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled *'Risk Factors'* on page 16. The following are certain factors that had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Impact of COVID-19
- Factors affecting the calcined petroleum coke industry and raw materials of the industry;
- Increasing competition in the Industry;
- Changes in central or state government regulations, tax regimes, laws and regulations that apply to the industry;
- Any adverse development that may affect our operations in Goa, Chattisgarh or Odisha;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers;
- Availability of management personnel;
- Inability to obtain maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in safety, health and environmental laws and other applicable regulations may adversely affect our business, financial condition, results of operation and prospects;
- Changes in fiscal, economic or political conditions in India; and
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

SIGNIFICANT ACCOUNTING POLICIES

For details about our key significant accounting policies, see section titled "*Financial Information*" on page 72.

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter titled *"Financial Statements"* on page 72, there has been no change in accounting policies during the Fiscal 2022 and six months period ended September 30, 2022.

RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

The following is the summary of qualifications/ reservation /emphasis of matters/ adverse remarks / other observations in CARO (as applicable) in the Financial Statements for the year ended March 31, 2022:

Financial Year	Qualifications/ Reservation/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO and Limited Review Report	Particulars
Fiscal 2021-2022	Undisputed arrears of Goa Green Cess outstanding for more than six months as at March 31, 2022 – ₹542.25 Lakhs	Clause (vii)(a) of CARO

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Income

Our total income comprises (i) revenue from operations, (ii) other operating revenue, and (ii) other income.

Revenue from operations

Revenue from operations comprises the sale of products and other operating revenue from sale of scrap.

Other income

Other income includes (i) interest income, including from banks, from other financial assets, and on income tax refund; (ii) dividend income from non-current investments; (iii) profit on sale of property, plant and equipment; (iv) liabilities no longer required written back and (v). excess provision for doubtful debts no longer required written back.

Expenses

Our total expenses comprise (i) cost of materials consumed; (ii) employee benefit expense; (iii) changes in inventories of finished goods; (iv) finance costs; (v) depreciation and amortisation expense; and (vi) other expenses.

Costs of materials consumed

Costs of materials consumed comprises material consumed such as Raw Petroleum Coke.

Changes in inventories of finished goods

Changes in inventories of finished goods comprises changes in the position of (i) finished goods;

Employee benefits expense

Employee benefits expense comprises (i) salaries, wages, bonus and allowances; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

Finance costs

Finance costs comprise (i) interest expense on financial liabilities at amortised cost; (ii) other borrowing costs;

Depreciation and amortisation expense

Depreciation and amortisation expense comprises of depreciation on fixed assets.

Other expenses

Other expenses include, among others (i) fuel and power; (ii) material handling charges; (iii) repairs and maintenance on machinery, plant and building, and others; (iv) rent; (v) rates and taxes; (vi) lease expenses; (vii) travelling and conveyance; (v) travelling expenses; (vi) packing expenses; (vii) freight expenses; (viii) payments to auditors; (ix) bad debts written off; (x) provisions for doubtful debts; viii) director sitting fees and commission; (ix) assets written off; (x) corporate social responsibility; (xi) net loss on foreign currency transactions and translation, and (xiv) general expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws.

Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

RESULTS OF OUR OPERATIONS

Six months period ended September 30, 2022 compared to six months period ended September 30, 2021

(₹ in lakhs)

Particular	**Six Months ended September 30, 2022**		**Six Months ended September 30, 2021**	
	Amount	**% of Total Income**	**Amount**	**% of Total Income**
Revenue from operations				
a. Sale of products (net)	63,133.89	99.51	27,524.34	99.69
b. Other operating revenues	22.66	0.04	25.65	0.10
Other income	287.99	0.45	59.04	0.21
Total income	**63,444.54**	**100.00**	**27,609.03**	**100.00**
Expenses				
Cost of materials consumed	50,967.63	80.33	25,175.44	91.19
Changes in inventories of finished goods	(272.42)	(0.43)	(2,889.97)	(10.47)
Employee benefits expense	1,094.08	1.72	1,189.80	4.31
Finance costs	1,856.75	2.93	707.67	2.56
Depreciation and amortization expenses	108.54	0.17	104.57	0.38
Other expenses	3,006.34	4.74	2,697.20	9.77
Total Expenses	**56,760.92**	**89.47**	**26,984.71**	**97.74**
Profit/ (Loss) before tax	**6,683.62**	**10.53**	**624.32**	**2.26**
Tax expenses				
a. Current tax	1,760.90	2.78	-	-
b. Deferred tax	(64.97)	(0.10)	(3.91)	(0.01)
Profit/ (Loss) for the period	**4,987.69**	**7.86**	**628.23**	**2.28**
Other comprehensive income				
(i) Items that will not be reclassified to profit and loss				
- Remeasurements of the defined benefit plans	(71.98)	(0.11)	15.54	0.06
- Equity instruments through other comprehensive income	101.35	0.16	88.17	0.32
(ii) Tax relating to items that will not be reclassified to profit and loss	6.31	0.01	(14.18)	(0.05)

Particular	Six Months ended September 30, 2022		Six Months ended September 30, 2021	
	Amount	% of Total Income	Amount	% of Total Income
Total comprehensive Income/ (Loss) for the period	**5,023.37**	**7.92**	**717.76**	**2.60**

Total Income

Our total income for the six months period ended September 30, 2022 was ₹ 63,444.54 Lakhs as compared to ₹ 27,609.03 Lakhs for the six months period ended September 30, 2021, representing an increase of 129.80%. Total income comprises of:

Revenue from Operations

Our revenue from operations for the six months period ended September 30, 2022 was ₹ 63,156.55 Lakhs as compared to ₹ 27,549.99 Lakhs for the six months period ended September 30, 2021, representing an increase of 129.24%. This increase was primarily due to increase in sale of our products to ₹ 63,133.89 Lakhs during six months period ended September 30, 2022 from ₹ 27,524.34 Lakhs during six months period ended September 30, 2021.

Other income

Other income for the six months period ended September 30, 2022 was ₹ 287.99 Lakhs as compared to ₹ 59.04 Lakhs for the six months period ended September 30, 2021, representing an increase of 387.79%. The increase in other income was primarily due to increase in interest income.

Expenses

Our total expenditure for the six months period ended September 30, 2022 was ₹ 56,760.92 Lakhs as compared to ₹ 26,984.71 Lakhs for the six months period ended September 30, 2021, representing an increase of 110.34%. Total expenditure comprises of:

Cost of Material Consumed

The Cost of Material Consumed for the six months period ended September 30, 2022 was ₹ 50,967.63 Lakhs as compared to ₹ 25,175.44 Lakhs for the six months period ended September 30, 2021, representing an increase of 102.45%. This increase was due to increase in the volume of production and cost of raw materials during the six months period ended September 30, 2022 as compared to six months period ended September 30, 2021.

Changes in inventories of finished goods

The changes inventories of finished goods for the six months period ended September 30, 2022 were (₹ 272.42) Lakhs as compared to (₹ 2,889.97) Lakhs for the six months period ended September 30, 2021. The change was due to increase in level of inventory of finished goods held by our Company.

Employee benefit expense

Employee benefit expense for the six months period ended September 30, 2022 was ₹ 1,094.08 Lakhs as compared to ₹ 1,189.80 Lakhs for the six months period ended September 30, 2021, representing a decrease of 8.05%. This decrease was due to incremental salary payouts made by the Company during September 30, 2021 due to COVID-19 impact.

Finance costs

Finance costs for the six months period ended September 30, 2022 was ₹ 1,856.75 Lakhs as compared to ₹ 707.67 Lakhs for the six months period ended September 30, 2021, representing an increase of 162.38%. The increase in finance cost is due to additional borrowing from NBFC and Promoters to meet the increased working capital requirement.

Depreciation and Amortization Expenses

Depreciation and amortization expense for the six months period ended September 30, 2022 was ₹ 108.54 Lakhs as compared to ₹ 104.57 Lakhs for the six months period ended September 30, 2021, representing an increase of 3.80%.

Other expenses

Other expenses for the six months period ended September 30, 2022 were ₹ 3,006.34 Lakhs as compared to ₹ 2,697.20 Lakhs for the six months period ended September 30, 2021, representing an increase of 11.46%. The increase was mainly due to repairs and maintenance charges, insurance expenses, travelling expenses, freight expenses and general expenses.

Profit/(loss) before Tax

The profit/(loss) before tax for six months period ended September 30, 2022 was ₹ 6,683.62 Lakhs as compared to ₹ 624.32 Lakhs for six months period ended September 30, 2021.

Tax expenses

Total tax expense for the six months period ended September 30, 2022 was ₹ 1,695.93 Lakhs as compared to (₹ 3.91) Lakhs for six months period ended September 30, 2021.

Profit/(loss) for the period

For the reasons discussed above, the profit/(loss) for the period for the six months period ended September 30, 2022 was ₹ 4,987.69 Lakhs as compared to ₹ 628.23 Lakhs for the six months period ended September 30, 2021. The increase was as a result of reason mentioned above.

Fiscal 2022 compared to Fiscal 2021

(₹ in Lakhs)

Particulars	**Fiscal 2022**		**Fiscal 2021**	
	Amount	**% of Total Income**	**Amount**	**% of Total Income**
Revenue from Operations				
a. Sale of products (net)	76,567.07	99.61	35,255.46	99.75
b. Other operating revenues	44.58	0.06	23.13	0.07
Other income	255.16	0.33	65.80	0.18
Total Income	**76,866.81**	**100.00**	**35,344.39**	**100.00**
Expenses				
Cost of materials consumed	67,225.56	87.46	28,460.51	80.52
Changes in inventories of finished goods	(4,336.82)	(5.64)	341.27	0.97
Employee Benefit Expenses	2,366.17	3.08	1,802.59	5.10
Financial Costs	1,620.81	2.11	966.63	2.73
Depreciation and Amortization Expense	210.46	0.27	213.90	0.61
Other Expenses	5,689.15	**7.40**	4,051.55	**11.46**
Total Expenses	**72,775.33**	**94.68**	**35,836.45**	**101.39**
Profit/ (Loss) before tax	**4,091.48**	**5.32**	**(492.06)**	**(1.39)**
Tax expense:				
- Current Tax	95.00	0.12	-	-
- Deferred Tax	218.55	0.28	(10.86)	(0.03)
Profit/ (Loss) for the period	**3,777.93**	**4.91**	**(481.20)**	**(1.36)**
Other comprehensive income				
i. Items that will not be reclassified to profit and loss:				
- Remeasurements of the defined benefit plans	(46.54)	(0.06)	31.08	0.09
- Equity instruments through other comprehensive income	110.04	0.14	191.82	0.54

Particulars	Fiscal 2022		Fiscal 2021	
	Amount	% of Total Income	Amount	% of Total Income
ii. Tax relating to items that will not be reclassified to profit and loss	(1.10)	0.00	(30.68)	(0.09)
Total comprehensive Income/ (Loss) for the period	**3,840.33**	**5.00**	**(288.98)**	**(0.82)**

Total Income

Our total income for the Fiscal 2022 was ₹ 76,866.81 Lakhs as compared to ₹ 35,344.39 Lakhs for the Fiscal 2021, representing an increase of 117.48%.

Total income comprises of:

Revenue from Operations

Our revenue from operations for the Fiscal 2022 was ₹ 76,611.65 Lakhs as compared to ₹ 35,278.59 Lakhs for the Fiscal 2021, representing an increase of 117.16%. This increase was primarily due to increase in sale of our products to ₹ 76,567.07 Lakhs during Fiscal 2022 from ₹ 35,255.46 Lakhs during Fiscal 2021.

Other income

Other income for the Fiscal 2022 was ₹ 255.16 Lakhs as compared to ₹ 65.80 Lakhs for the Fiscal 2021, representing an increase of 287.78%. The increase in other income was primarily due to increase in interest income from bank deposits.

Expenses

Our total expenditure for the Fiscal 2022 was ₹ 72,775.33 Lakhs as compared to ₹ 35,836.45 Lakhs for the Fiscal 2021, representing an increase of 103.08%. Total expenditure comprises of:

Cost of Material Consumed

The Cost of material consumed for the Fiscal 2022 was ₹ 67,225.56 Lakhs as compared to ₹ 28,460.51 Lakhs for the Fiscal 2021, representing an increase of 136.21%. This increase was due to increase in the volume of production and cost of raw materials during the Fiscal 2022 as compared to Fiscal 2021.

Changes in inventories of finished good

The changes inventories of finished goods for the Fiscal 2022 were (₹ 4,336.82) Lakhs as compared to ₹ 341.27 Lakhs for the Fiscal 2021. The change was due to increase in level of inventory of finished goods held by our Company during Fiscal 2022 as compared to Fiscal 2021.

Employee benefit expenses

Employee benefit expense for the Fiscal 2022 was ₹ 2,366.17 Lakhs as compared to ₹ 1,802.59 Lakhs for the Fiscal 2021, representing an increase of 31.27%. This increase was due to increase in the salaries and wages of the employees.

Finance costs

Finance cost for the Fiscal 2022 was ₹ 1,620.81 Lakhs as compared to ₹ 966.63 Lakhs for the Fiscal 2021, representing an increase of 67.68%. The increase in finance cost is due to the increase in cash credit facilities availed by our Company at higher interest rate.

Depreciation and Amortization Expenses

Depreciation and amortization expense for the Fiscal 2022 was ₹ 210.46 Lakhs as compared to ₹ 213.90 Lakhs for the Fiscal 2021, representing a decrease of 1.61%.

Other expenses

Other expenses for the Fiscal 2022 were ₹ 5,689.15 Lakhs as compared to ₹ 4,051.55 Lakhs for the Fiscal 2021, representing an increase of 40.42%. The increase was mainly due to increase in processing/ labour charges, freight expenses, packing expenses, net loss on foreign currency transactions and translation and general expenses.

Profit/(loss) before Tax

The profit/(loss) before tax for Fiscal 2022 was ₹ 4,091.48 Lakhs as compared to (₹ 492.06) Lakhs for Fiscal 2021.

Tax expenses

Total tax expense for the Fiscal 2022 was ₹ 313.55 Lakhs as compared to (₹ 10.86) Lakhs for Fiscal 2021.

Profit/(loss) for the period

For the reasons discussed above, the profit/(loss) for the period for the Fiscal 2022 was ₹ 3,777.93 Lakhs as compared to (₹ 481.20) Lakhs for the Fiscal 2021. The increase was due to reason mentioned as above.

LIQUIDITY AND CAPITAL RESOURCES

We finance our operations and capital requirements primarily through cash flows from operations and borrowings, working capital facilities from banks. We have historically met our liquidity requirements through the cash flow generated through our business operations. We expect to meet our working capital needs and liquidity requirements for the next 12 months primarily from the proceeds of the Issue, cash flows from our business operations and borrowings and equity, as determined by the management.

CASH FLOWS

The following table sets forth a summary of our statement of cash flows for the period indicated:

(₹ in Lakhs)

Particulars	Six months period ended September 30, 2022	Fiscal 2022	Fiscal 2021
Net cash (used in)/ generated from operating activities	(691.45)	(3,989.97)	(1,506.57)
Net cash (used in)/ generated from investing activities	(8,134.83)	(13,999.01)	(946.73)
Net cash generated from financing activities	7,713.95	19,112.17	1,770.70
Net increase/ (decrease) in cash and cash equivalent	**(1,112.33)**	**1,123.19**	**(682.60)**

Cash Flow from Operating Activities

Six months period ended September 30, 2022

In the six months period ended September 30, 2022, net cash used in from operating activities was (₹691.45) Lakhs and the operating profit before working capital changes was ₹9,139.84 Lakhs. The change in working capital was primarily due to decrease in other non-current financial assets of ₹2.38 Lakhs, decrease in other non-current assets of ₹1.97 Lakhs, increase in inventories of (₹7,503.17) Lakhs, increase trade receivables of (₹12,300.36) Lakhs, increase in other current financial assets of (₹712.14) Lakhs, decrease in other current assets of ₹428.16 Lakhs, increase in trade payables of ₹10,402.81 Lakhs, decrease in other current liabilities of (₹119.10) Lakhs, increase in other current liabilities of ₹577.89 Lakhs and increase in provisions of ₹34.54 Lakhs.

Fiscal 2022

In the Fiscal 2022, net cash used in from operating activities was (₹3,989.97) Lakhs and the operating profit before working capital changes was ₹5,794.08 Lakhs. The change in working capital was primarily due to decrease in other non-current financial assets of ₹1.83 Lakhs, decrease in other non-current assets of ₹0.51 Lakhs, increase in inventories of (₹ 4,165.13) Lakhs, decrease in trade receivables of ₹3,612.67 Lakhs, decrease in other current financial assets of ₹4.33 Lakhs and increase in other current assets of (₹374.43) Lakhs, decrease in trade payables of (₹8,789.10) Lakhs, decrease in other current financial liabilities of (₹141.32) Lakhs, increase in other current liabilities of ₹126.30 Lakhs and increase in provisions of ₹20.34 Lakhs.

Fiscal 2021

In the Fiscal 2021, net cash used in from operating activities was (₹1,506.57) Lakhs and the operating profit before working capital changes was ₹567.22 Lakhs. The change in working capital was primarily due to increase in other non-current financial assets of (₹0.09) Lakhs, decrease in other non-current assets of ₹1.55 Lakhs, increase in inventories of (₹ 799.80) Lakhs, increase in trade receivables of (₹4,281.47) Lakhs, decrease in other current financial assets of ₹462.76 Lakhs and increase in other current assets of (₹517.86) Lakhs, increase in trade payables of ₹2,950.81 Lakhs, increase in other current financial liabilities of ₹203.58 Lakhs, decrease in other current liabilities of (₹101.11) Lakhs and increase in provisions of ₹17.85 Lakhs.

Cash Flow from Investing Activities

Six months period ended September 30, 2022

In six months period ended September 30, 2022, net cash used in investing activities was (₹8,134.83) Lakhs primarily on account of acquisition of property, plant and equipment, intangibles and capital work-in-progress of (₹44.64) Lakhs, proceeds from sale of property, plant and equipments of ₹3.91 Lakhs, margin money and bank deposits placed – net of (₹8,370.01) Lakhs, interest received of ₹272.57 Lakhs and dividend received of ₹3.34 Lakhs.

Fiscal 2022

In fiscal 2022, net cash used in investing activities was (₹13,999.01) Lakhs primarily on account of capital expenditure on property, plant and equipments including capital advances of (₹167.17) Lakhs, proceeds from sale of property, plant and equipments of ₹5.08 Lakhs, margin money and bank deposits placed of (₹14,040.72) Lakhs, interest received of ₹202.31 Lakhs and dividend received of ₹1.49 Lakhs.

Fiscal 2021

In fiscal 2021, net cash used in investing activities was (₹946.73) Lakhs primarily on account of capital expenditure on property, plant and equipments including capital advances of (₹166.06) Lakhs, proceeds from sale of property, plant and equipments of ₹10.26 Lakhs, margin money and bank deposits placed of (₹848.74) Lakhs and interest received of ₹57.81 Lakhs.

Cash Flow from Financing Activities

Six months period ended September 30, 2022

In six months period ended September 30, 2022, net cash generate from financing activities was ₹7,713.95 Lakhs primarily on account of proceeds from short-term borrowings of ₹10,156.00 Lakhs, interest paid of (₹1,526.96) Lakhs and dividends paid of (₹915.09) Lakhs.

Fiscal 2022

In Fiscal 2022, net cash generated from financing activities was ₹19,112.17 Lakhs primarily on account of proceeds from long term borrowings of ₹900.00 Lakhs, proceeds from short term borrowings of ₹19,983.28 Lakhs and interest paid of (₹1,771.11) Lakhs.

Fiscal 2021

In Fiscal 2021, net cash generated from financing activities was ₹1,770.70 Lakhs primarily on account of proceeds from short term borrowings of ₹2,725.64 Lakhs and interest paid of (₹954.94) Lakhs.

Total Borrowings

As on September 30, 2022, we had outstanding borrowings of ₹49,387.11 Lakhs. The table sets forth certain information relating to our outstanding indebtedness as of September 30, 2022:

(₹ in Lakhs)

Category of borrowing	Sanctioned amount as of September 30, 2022	Outstanding amount as of September 30, 2022
Secured		
Working Capital Facilities		
-Fund Based	**15,750.00**	**10,146.47**
Bank of India (Cash Credit) *(Note 1)*	1,350.00	671.91
State Bank of India (Cash Credit) *(Note 1)*	2,000.00	1,974.56
HDFC Bank	4,900.00	-
IIFL Wealth Prime Limited	7,500.00	7,500.00
-Non Fund Based	**35,362.59**	**31,340.64**
Bank of India (LC/ Supplier credit/ Buyers credit/ BG) *(Note 2)*	31,362.59	31,340.64
State Bank of India (LC) *(Note 1)*	4,000.00	-
-Term Loan from Banks	**900.00**	**900.00**
Star guaranteed emergency credit line – BOI	400.00	400.00
SBI guaranteed emergency credit line	500.00	500.00
Total Secured Facilities (A)	**52,012.59**	**42,387.11**
Unsecured		
Loan from other	-	-
Loan from related parties	7,500.00	7,000.00
Total Unsecured Facilities (B)	**7,500.00**	**7,000.00**
Total Borrowings (A+B)	**59,512.59**	**49,387.11**

Note 1: With interchangeability option between fund or non fund based or combination of both.
Note 2: a) Includes additional amount of facility sanctioned against 110% margin
b) The principal terms of the loans and assets charged as security by the Company

Material Frauds

As on the date of this Draft Letter of Offer, there are no material frauds against our Company.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as stated below, as on March 31, 2022 and September 30, 2022, there are no defaults made by our Company in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution:

(₹ in Lakhs)

Sr. No.	Nature of statutory dues	March 31, 2022	September 30, 2022	Remarks
1	GST	-	-	-
2	Provident Fund	-	-	
3	Employees State Insurance	-	-	
4	Custom Duty	-	-	
5	Goa Green Cess	617.54	716.79	
6	Income Tax	263.00	263.00	The amount relates to the Assessment Year 2013-14 and 2016-17. Out of ₹ 504 lakh, ₹ 241 lakhs is paid under protest. This is pending with the

Sr. No.	Nature of statutory dues	March 31, 2022	September 30, 2022	Remarks
				Income Tax Appellate Tribunal, Panaji.

Contingent Liabilities and Capital Commitment

A summary of our contingent liabilities and capital commitment, as at September 30, 2022 are presented below:

Name of statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount related (Assessment Year)	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Income Tax	247.44	247.44	1994-95	Assistant Commissioner of Income Tax	Income tax demand under appeal
Income Tax Act, 1961	Income Tax	901.00	901.00	1995-96 to 2003-04	Supreme Court of India	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 Honorable Supreme Court. The petition has been admitted and is pending for hearing

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapter titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 16 and 132, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the chapter titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on page 16 and 132, respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, particularly in chapter titled "*Risk Factors*" on page 16, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related Party Transactions

For details, please see the chapter titled "*Financial Statements*" beginning on page 72.

Off-Balance Sheet Items

Except as disclosed in our Audited Financial Statements or otherwise in this Draft Letter of Offer, there are no off-balance sheet items that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Significant developments after September 30, 2022 that may affect our future results of operations

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after September 30, 2022 that may affect our future results of operations. For further information, please see the chapter titled "*Material Developments*" on page 144.

MATERIAL DEVELOPMENTS

Except as stated in this Draft Letter of Offer, to our knowledge, no circumstances have arisen since last balance sheet of the Company, i.e., March 31, 2022, which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

ACCOUNTING RATIOS

Accounting Ratios

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Audited Financial Statements. For details, see "*Financial Statements*" on page 72:

Particulars	Based on Unaudited Financial Results	Based on Audited Financial Statements	Based on Audited Financial Statements
	For six months ended September 30, 2022	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Basic earnings per share (₹)	54.50 *	41.28	(5.26)
Diluted earnings per share (₹)	54.50 *	41.28	(5.26)
Return on Net Worth (%)	33.05 *	34.40	(6.74)
Net Asset Value per Equity Share (₹)	164.92*	120.03	78.06
EBITDA (₹ in Lakhs)	8,648.91	5,922.75	688.47

**Not Annualised*

The formula used in the computation of the above ratios are as follows:

Basic earnings per Equity Share	Profit/ (Loss) for the period as per Statement of Profit and Loss / Weighted Average number of Equity Shares.
Diluted earnings per Equity Share	Profit/ (Loss) for the period as per Statement of Profit and Loss / Weighted Average number of Equity Shares (including convertible securities).
Return on Net Worth (in %)	Profit/ (Loss) for the period as per Statement of Profit and Loss / Net worth at the end of the period.
Net asset value per Equity Share	Net Worth at the end of the period divided by the number of Equity Shares outstanding at the end of the period.
EBITDA	Profit/(Loss) for the period before finance costs, depreciation and amortisation expenses and tax expense as presented in the statement of profit and loss.
Net Worth	The aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, as per the audited / unaudited balance sheet, as the case may be, but does not include amalgamation reserve.

Calculation of Return on Net Worth

(in ₹ Lakhs, unless otherwise specified)

Particulars	For the six months ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (Loss) for the period (A)	4,987.69	3,777.93	(481.20)
Paid up Equity Share Capital (B)	915.11	915.11	915.11
Other Equity (excluding Amalgamation reserve) (C)	14,176.98	10,068.71	6,228.38
Net Worth (D) (B+C)	15,092.09	10,983.82	7,143.49
Return on Net Worth (A/D) (%)	**33.05%**	**34.40%**	**(6.74%)**

Calculation of Net Asset Value per Equity Share

Particulars	For six months ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Worth (A) (₹ in Lakhs)	15,092.09	10,983.82	7,143.49
No. of Shares outstanding (B) (in numbers)	91,51,052	91,51,052	91,51,052
Net Assets Value [(A/B) x 100,000] (in ₹ per share)	**164.92**	**120.03**	**78.06**

Calculation of EBITDA

(in ₹ Lakhs, unless otherwise specified)

Particulars	As at and for the six months ended September 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (Loss) for the period	4,987.69	3,777.93	(481.20)
Add: Tax expense	1,695.93	313.55	(10.86)
Add: Finance costs	1,856.75	1,620.81	966.63
Add: Depreciation & Amortisation expenses	108.54	210.46	213.90
EBITDA	8,648.91	5,922.75	688.47

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Our Company is involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, criminal complaints, civil suits, and petitions pending before various authorities.

Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

*For the purpose of the Issue, the following outstanding civil litigations have been considered as material and accordingly, have been disclosed in this chapter: any outstanding civil litigation involving our Company, where the amount involved is ₹ 769.00 Lakhs (being 1% of the total revenue of our Company, in terms of the Audited Financial Statements as of March 31, 2022) (**"Materiality Threshold"**) or above.*

Pre-litigations notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) has not been evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial/ arbitral forum.

We have disclosed matters relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

I. Litigations involving our Company

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability

i. Criminal Litigations initiated against our Company

As on the date of this Draft Letter of Offer, there are no criminal litigations initiated against our Company.

ii. *Criminal Litigations initiated by our Company*

3 criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, have been initiated by our Company against various parties for cheques that bounced on the presentation and the aggregate amount involved in these matters is ₹ 9.31 Lakhs. The matters are pending at different stages of adjudication before various courts.

B. Matters involving material violations of statutory regulations by our Company

As on the date of this Draft Letter of Offer, there are no proceedings/matters involving material violations of statutory regulations by our Company.

C. Economic offences where proceedings have been initiated against our Company

As on the date of this Draft Letter of Offer, there are no economic offences initiated against our Company.

D. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

Civil Litigations initiated against our Company

As on the date of this Draft Letter of Offer, there are no civil litigations initiated against our Company.

Civil Litigations initiated by our Company

1. Our Company has initiated a Writ Petition No. 939 of 2019 (**"Writ Petition"**) against State of Goa (**"Respondent No. 1"**), Director of Department of Science, Technology & Environment, Government of Goa (**"Respondent No. 2"**) and Captain of Ports Department, Government of Goa (**"Respondent No. 3"**), together with Respondent Nos. 1 and 2 be referred to as (**"Respondents"**) before High Court of Bombay, at Panaji-Goa challenging the constitutional validity of the Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013 and the Goa Cess on Products and Substances Causing Pollution (Green Cess) (Functions and Duties Company of the Competent Authority, Assessment and Collection of Cess) Rules, 2014 (**"Impugned Act and Rules"**). Respondent No. 3 had issued a notification bearing no. 100/4/2013/STE-DRI/1620 dated February 18, 2020 to levy cess on all types of Coke/ derivatives of coal at 2% of the sale value (**"Notification"**). Subsequently, Respondent No. 3 issued another notification bearing no. 100/4/2013/STE-DIR/879 dated September 12, 2014 in suppression of its said Notification changed the rates of the cess from 2% on the sale value to 0.5% on the sale value on all types of Coke/ derivatives of coal. Being aggrieved by the levy of the 0.5% Green Cess under the Impugned Act and Rules framed thereunder on handling, transportation of coke, derivatives of coke amongst other substances our company has filed the present Writ Petition. Our Company has in the present Writ Petition prayed for issuing a writ declaring the said acts as unconstitutional. Subsequently, the High Court of Bombay at Panaji-Goa vide its order dated October 22, 2019 directed the Respondents to not take any coercive steps against our Company during the pendency of the Writ Petition. The matter is currently pending.

E. Tax Proceedings initiated against our Company

Particulars	No. of Cases	Amount Involved (₹ in Lakhs)
Direct Tax	3	1,652
Indirect Tax	1	717
Total	4	2,369

II. Litigations involving our Subsidiary

As on the date of this Draft Letter of Offer our Company does not have any subsidiary. Therefore, there are no litigations involving the subsidiary of our Company.

GOVERNMENT AND OTHER APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations ("**Approvals**") for carrying on its present business activities. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the Manufacturing Plants of our Company is located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Material pending government and regulatory approvals pertaining to the Objects of the Issue

Since, our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses towards (i) funding incremental working capital requirements of the Company; and (ii) for general corporate purposes, no government and regulatory approval pertaining to the Objects of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on September 29, 2022 pursuant to Section 62 (1) (a) and other applicable provisions of the Companies Act, 2013.

This Draft Letter of Offer has been approved by our Rights Issue Committee, at its meeting held on December 23, 2022.

Our Board or duly constituted Rights Issue Committee in its meeting held on [●] has resolved to issue Rights Equity Shares to the Eligible Equity Shareholders, at an issue price of ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share), in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s), as held on the Record Date. The Issue Price of ₹[●] per Rights Equity Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circular.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 157.

Prohibition by the SEBI

Our Company, our Promoters, our Promoter Group or our Directors have not been and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

The companies with which our Promoters or our Directors are associated as promoter or directors have not been debarred from accessing the capital market by SEBI.

Neither our Promoters nor our Directors have been declared as Fugitive Economic Offenders.

Association of our Directors with the securities market

None of our Directors are associated with the securities market.

Prohibition by RBI

Neither our Company, our Promoters nor our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrower.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Our Company undertakes to make an application for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the purpose of the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with SEBI;

2. The reports, statements and information referred to above are available on the website of BSE and NSE; and

3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITYEITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, CENTRUM CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENTIS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, CENTRUM CAPITAL LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 23, 2022, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE DRAFT LETTER OF OFFER OF THE SUBJECT ISSUE;

2. ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

   a. THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;

   b. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

c. **THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE, SUCH REGISTRATION IS VALID.- <u>COMPLIED WITH</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – <u>NOT APPLICABLE</u>**

5. **WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER. – <u>NOT APPLICABLE</u>**

6. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER. – <u>NOT APPLICABLE</u>**

7. **ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. - <u>NOT APPLICABLE</u>**

8. **NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – <u>NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE</u>**

9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION. – <u>COMPLIED WITH TO THE EXTENT APPLICABLE</u>**

10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**

    a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE**

SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, EXCLUDING SUPERIOR RIGHTS EQUITY SHARES, WHERE AN COMPANY HAS OUTSTANDING SUPERIOR RIGHTS EQUITY SHARES - <u>COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES);</u> AND

b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI. – <u>COMPLIED WITH</u>

11. WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - <u>NOTED FOR COMPLIANCE</u>

12. IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS, 2018.<u>– NOT APPLICABLE</u>

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made other than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable law, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue.

Cautions

Our Company and the Lead Manager shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Goa, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is BSE Limited.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form, Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlements in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Rights Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (THE "UNITED STATES" OR "U.S.") OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN

REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS EQUITY SHARES REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA AND IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS ARE PERMITTED UNDER LAWS OF SUCH JURISDICTIONS, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER / ABRIDGED LETTER OF OFFER, RIGHTS ENTITLEMENT LETTER AND APPLICATION FORMSHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar, the Lead Manager or any other person acting on behalf of us, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Filing

This Draft Letter of Offer has been filed with SEBI for its observations, at SEBI located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI, and with the Stock Exchanges. After SEBI gives its observations, the final Letter of Offer will be filed with SEBI and the Stock Exchanges simultaneously with the filing of the Letter of Offer with the Designated Stock Exchange as per the provisions of the SEBI ICDR Regulations.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreement.

Our Company has a Stakeholders Relationship Committee which meets as and when required, to deal with and monitor redressal of complaints from shareholders. The broad terms of reference include redressal of investors' complaints pertaining to share transfers, redressal of investors'/shareholders' grievances, issue of duplicate certificates, Additionally, we have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

The investor complaints received by our Company are generally disposed of within 7 days from the date of receipt of the complaint.

Investor Grievances arising out of this Issue:

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e. Link Intime India Private Limited. The agreement between the Company and the Registrar provides for a period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of investors.

Investors may contact the Registrar to the Issue, or our Company Secretary and Compliance Officer for any Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see '*Terms of the Issue*' on page 157.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083, Maharashtra, India
Telephone: +91 22 4918 6200
E-mail id: goacarbon.rights@linkintime.co.in
Investor grievance email: goacarbon.rights@linkintime.co.in
Contact person: Sumeet Deshpande
Website: www.linkintime.co.in
SEBI registration number: INR000004058

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as on-receipt of Letters of Allotment / demat credit/ Refund Orders etc.

Pravin Rajendra Satardekar is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Pravin Rajendra Satardekar
Dempo House, Campal,
Panaji-403 001, Goa, India.
Telephone: +91 832 24 41300
E-mail: investorgrievance@goacarbon.com

In accordance with SEBI Rights Issue Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the investors will be available on the website of the Registrar at www.linkintime.co.in. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 810 811 4949**.**

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer, the Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up.

Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circular, investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Investors are requested to note that application in this Issue can only be made through ASBA.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

Important:

I. DISPATCH AND AVAILABILITY OF THE ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circular, our Company will send/ dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material ("**Issue Materials**") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:
(i) our Company at www.goacarbon.com;
(ii) the Registrar at www.linkintime.co.in;
(iii) the Lead Manager, i.e., Centrum Capital Limited at www.centrum.co.in; and
(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.goacarbon.com).

Our Company along with the Lead Manager will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

II. PROCESS OF MAKING AN APPLICATION IN THIS ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "*-Procedure for Application through the ASBA Process*" on page159.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Term of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 157.

Please note that one single Application Form shall be used by investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN, or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see "*Terms of the Issue - Grounds for Technical Rejection*" on page 166. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected. Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. For details, see "*Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 157.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity

Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

3. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or

5. Renounce its Rights Entitlements in full.

Procedure for Application through the ASBA Process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online / electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be responsible for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for investors applying through ASBA

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

2. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated, as the Rights Equity Shares will be Allotted in the dematerialized form only.

3. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

4. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional

Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

5. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

6. Ensure that you have a bank account with a SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

8. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for investors applying through ASBA

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.

3. Do not send your physical Application to the Lead Manager, the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

5. Do not submit Application Form using third party ASBA account.

Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the websites of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Goa Carbon Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as on Record Date;

6. Allotment option - only dematerialised form;

7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;

9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

10. Total number of Rights Equity Shares applied for;

11. Total amount paid at the rate of ₹ [●] per Rights Equity Share;

12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);

16. All such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (**United States**), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold only in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (**Regulation S**) to existing shareholders who are located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on*

behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in 'Restrictions on Foreign Ownership of Foreign Securities' on page [●].

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S to a person outside the United States.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the U.S. Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that we, the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the investor.

The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in. Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the investors' ASBA Accounts on or before the Issue Closing Date.

Making an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense escrow account on behalf of such shareholder. For further details, see "*Terms of the Issue – Credit of Rights Entitlement in dematerialised account of Eligible Equity Shareholders*" on page 157.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;

2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and

3. The remaining procedure for Application shall be same as set out in "*Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 157.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in *"Terms of the Issue - Basis of Allotment"* beginning on page 157.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for investors in relation to making an Application

1. Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.

2. The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.

3. Application should be made only through the ASBA facility.

4. In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

5. An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB, prior to making the Application.

6. Please read the instructions on the Application Form sent to you. Application should be complete in all

respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and / or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

7. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under *"Terms of the Issue - Making an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 157.

8. Applications should be submitted to the Designated Branch of the SCSB or made online / electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

9. Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.

10. Applications should not be submitted to the Banker(s) to the Issue, our Company or the Registrar or the Lead Manager.

11. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income Tax Act, 1961, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such investors.

12. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (**Demographic Details**) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such investors including mailing of the letters intimating unblocking of bank account of the respective investor and / or refund. The Demographic Details given by the investors in the Application Form would not be used for any other purposes by the Registrar. Hence, investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match 3 parameters i.e., (a) names of the investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

13. By signing the Application Forms, investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his / her official seal. The investors must sign the Application as per the specimen signature recorded with the SCSB.

15. Investors should provide correct DP ID and Client ID / Folio number (for Eligible Equity Shareholders

who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID should match the demat account details in the records available with Company and / or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

16. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

17. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first / sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

18. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

19. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

20. Do not submit the General Index Registrar number instead of the PAN as the application is liable to be rejected on this ground.

21. Avoid applying on the Issue Closing Date due to risk of delay / restrictions in making any physical Application.

22. Do not pay the Application Money in cash, by money order, pay order or postal order.

23. Do not submit multiple Applications.

24. No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

25. An Applicant being an Overseas Corporate Body (**OCB**) is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

26. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.

2. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

3. Sending an Application to our Company, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.

4. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

5. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to a regulatory order.

6. Account holder not signing the Application or declaration mentioned therein.

7. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

8. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

9. Submitting the General Index Registrar number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

10. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

11. Applications by SCSB on its own account, other than through an ASBA Account in its own name with any other SCSB.

12. Application Forms which are not submitted by the investors within the time periods prescribed in the Application Form and the Letter of Offer.

13. Physical Application Forms not duly signed by the sole or joint investors, as applicable.

14. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

15. If an investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the investor to subscribe to their Rights Entitlements.

16. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and / or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

17. Applications which have evidence of being executed or made in contravention of applicable securities laws.

18. Applicants holding physical shares not submitting the documents. For further details, see "*Terms of the Issue – Making an application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 157.

19. Application from investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with / without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see *"Procedure for Applications by Mutual Funds"* on page 157.

In cases where Multiple Application Forms are submitted, including cases where (a) an investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to this Issue as described in *"Capital Structure"* on page 42.

Procedure for Applications by certain categories of investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

a. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

b. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and the SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to a rights issue. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to a rights issue. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (**OCI**) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been recently amended to state that all investments by entities incorporated in a country which shares a land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (**Restricted Investors**), will require prior approval of the Government. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government and each investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies (**NBFC-SI**)*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of Reserve Bank of India Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●] i.e., Issue Closing Date. Our Board and, or, the Rights Issue Committee may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding thrity days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with a SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as set out in entitled *"Terms of the Issue - Basis of Allotment"* on page 157.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no investor, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified, and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the investor within a period on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialized form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of the Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID and PAN. The link for the same shall also be available on the website of our Company (i.e., www.goacarbon.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the

Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for subscription of Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

In this regard, our Company has made necessary arrangements with CDSL and NSDL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The ISIN for the Rights Entitlements shall remain frozen (for debit) until the Issue Opening Date. The ISIN for the Rights Entitlements shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details / records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Other important links and helpline:

The investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the investors: www.linkintime.co.in

- Updation of Indian address/ e-mail address/ mobile number in the records maintained by our Company: www.linkintime.co.in
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.linkintime.co.in
- Submission of self-attested PAN and valid Indian address proof client master sheet and demat account details by non-resident Eligible Equity Shareholders: www.linkintime.co.in

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (**On Market Renunciation**); or (b) through an off-market transfer (**Off Market Renunciation**), during the Renunciation Period. The investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the investors.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade. The investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Equity Shares in the Issue.

The investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the CDSL and NSDL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our

Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act, 1961. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.

3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents / NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR / NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" on page 36.

Face Value

Each Rights Equity Share will have the face value of ₹ 10.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) in this Issue.

The Issue Price for the Rights Equity Shares has been arrived at by our Company in consultation with the Lead Manager and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per the SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for the Additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for the Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for the Additional Rights Equity Shares, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Ranking

The Rights Equity Shares to be issued and Allotted under this Issue shall rank pari passu with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in principle approval from the BSE vide letter bearing reference number [●] and the NSE vide letter bearing reference numbers [●] dated [●].

Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 509567) and NSE (Scrip Code: GOACARBON) under the ISIN INE426D01013. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing / trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the existing ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded / unblocked within four days after our Company becomes liable to repay it, our Company and every Director of our Company who is an officer-in-default shall, on and from the expiry of the 4th day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter

For details of the intent and extent of subscription by our Promoter, see *"Capital Structure - Intention and extent of participation by our Promoter"* on page 42.

Rights of Holders of the Rights Equity Shares of our Company

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

1. The right to receive dividend, if declared;

2. The right to vote in person, or by proxy, except in case of the Rights Equity Shares credited to the demat;

3. The right to receive surplus on liquidation;

4. The right to free transferability of the Rights Equity Shares;

5. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and

6. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where 2 or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the investors would prevail. Any investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent / dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Ahmedabad, where our Registered Office is situated).

This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on its website.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including Additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for Allotment of the Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of the Rights Equity Shares and issue of the Rights Entitlement Letters / letters of Allotment/Allotment advice. If a non-resident or NRI investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar, at Link Intime India Private Limited, C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such Allotments made by relying on such approvals.

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent / dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent / dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which the Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to goacarbon.rights@linkintime.co.in.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "*TERMS OF THE ISSUE - ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS*" ON PAGE 157.

VIII. ISSUE SCHEDULE

Particulars	Day and Date
Last Date for credit of the Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of the Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

 # Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.goacarbon.com).

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.

2. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with 'zero' entitlement, would be given preference in allotment of 1 additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (1) above. If number of Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

3. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Rights Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

5. Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

X. ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS

Our Company will send / dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within fifteen days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT / CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and CDSL which enables the investors to hold and trade in the securities issued by our

Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. However, the Company is unable to trace the tripartite agreement with CDSL and NSDL in record. For further details see "*Risk Factor - Certain corporate records of our Company are not traceable such as tripartite agreement with CDSL and NSDL*" on page 16.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of investors having various folios in our Company with different joint holders, the investors will have to open separate accounts for such holdings. Those investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-à-vis such information with the investor's depository participant, would rest with the investor. Investors should ensure that the names of the investors and the order in which they appear in the Application Form should be the same as registered with the investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Rights Equity Shares in physical form / with IEPF authority / in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice / refund intimation will be directly sent to the investors by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1000,000 or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than 6 months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than 3 years) and fine of an amount not less than the amount involved in the fraud, extending up to 3 times of such amount. Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than 3 years. In case the fraud involves (i) an amount which is less than ₹ 1000,000 or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to 5 years or a fine of an amount extending up to ₹ 5,000,000 or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;

2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

4. Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.

2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the timeline specified by SEBI.

3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the investor within fifteen days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

6. Adequate arrangements shall be made to collect all ASBA Applications.

7. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Draft Letter of Offer and the Letter of Offer, carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.

2. All enquiries in connection with this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer,

the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed 'Goa Carbon Limited - Rights Issue' on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083, Maharashtra, India
Telephone: +91 22 4918 6200
E-mail id: goacarbon.rights@linkintime.co.in
Investor grievance email: goacarbon.rights@linkintime.co.in
Contact person: Sumeet Deshpande
Website: www.linkintime.co.in
SEBI registration number: INR000004058

3. In accordance with the SEBI Rights Issue Circular, frequently asked questions, and online / electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the investors will be available on the website of the Registrar www.linkintime.co.in. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 810 811 4949.

4. The Issue will remain open for a minimum seven days. Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding thirty days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON PURCHASES AND RESALES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the nonresident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The Rights Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND RESALES

General Eligibility and Restrictions

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Equity Shares in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlements and the Issue Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States.

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Equity Shares, applying for excess Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Equity Shares.

This Draft Letter of Offer and its accompanying documents will be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.goacarbon.com from the date of the Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated December 23, 2022between our Company and the Lead Manager.

2. Registrar Agreement dated November 30, 2022 between our Company and the Registrar to the Issue.

3. Bankers to the Issue Agreement dated [●] among our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.

B. Material Documents in Relation to the Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.

2. Certificate of incorporation dated June 22, 1967, issued by the Registrar of Companies, Union Territories of Goa, Daman & Diu.

3. Certificate of commencement of business dated May 30, 1968, issued by the Registrar of Companies, Union Territories of Goa, Daman & Diu.

4. Letter of Offer dated March 29, 2006, in respect of the rights issue of equity shares of face value of ₹10 each by our Company.

5. Copies of annual reports of our Company for Fiscals 2018, 2019, 2020, 2021 and 2022.

6. Resolution of our Board dated September 29, 2022 approving the Issue.

7. Resolution of our Rights Issue Committee dated December 23, 2022, approving this Draft Letter of Offer.

8. Resolution of our Board/ Rights Issue Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.

9. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Bankers to the Issue, Legal Advisor to the Issue, and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.

10. Consent letter dated December 22, 2022, from our Statutory Auditors, M/s B S R & Co. LLP to include their name in this Draft Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of their (i) Audit Financial Statements; (ii) Unaudited Financial Results; and (iii) the statement of possible special tax benefits dated December 22, 2022, included in this Draft Letter of Offer.

11. The Audited Financial Statements and Unaudited Financial Results along with reports dated May 28, 2022, and November 4, 2022, respectively of the Statutory Auditors thereon included in this Draft Letter of Offer.

12. Statement of possible special tax benefits dated December 22, 2022 from the Statutory Auditors.

13. Written consent dated November 21, 2022 from Sawkar Associates, as an Independent Chartered Engineer to include their name in this Draft Letter of Offer, as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, and in respect of the reports issued by them, included in this Draft Letter of Offer. Such consent has not been withdrawn as on the date of this Draft Letter of Offer.

14. In-principle approval issued by the BSE dated [●] and the NSE dated [●].

15. Tripartite agreement dated May 3, 2001, between our Company, Intime Spectrum Registry Private Limited (*presently known as LinkIn Time India Private Limited*) and CDSL.

16. Tripartite agreement dated June 1, 2001, between our Company, Intime Spectrum Registry Private Limited (*presently known as LinkIn Time India Private Limited*) and NSDL.

17. Due diligence certificate dated December 23, 2022, addressed to SEBI from the Lead Manager.

18. SEBI observation letter bearing reference no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Shrinivas Vasudev Dempo
Chairman and Non-Executive Director

Date: December 23, 2022

Place: Goa

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

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Anupam Mishra
Whole Time Director (Executive Director)

Date: December 23, 2022

Place: Goa

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____
Rajesh Soiru Dempo
Non-Execution Director

Date: December 23, 2022

Place: Goa

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Kiran Dhingra
Independent Director

Date: December 23, 2022

Place: Goa

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Nagesh Dinkar Pinge
Inpendent Director

Date: December 23, 2022

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Subodh Satchitanand Nadkarni
Independent Director

Date: December 23, 2022

Place: Pune

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Jagmohan Jagdishlal Chhabra
Non-Executive and Non-Independent Director

Date: December 23, 2022

Place: Goa

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Subhrakant Panda
Independent Director

Date: December 23, 2022

Place: Delhi

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY

Krishnan Balaraman
Chief Financial Officer

Date: December 23, 2022

Place: Goa