GRAPHITE INDIA LIMITED

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GIL:SEC:18/19: 8 October 25th, 2018

Bombay Stock Exchange Limited The Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Bldg., P.J. Towers, Dalal Street, Mumbai 400 001. Scrip Code – 509488 The Manager Listing Department, National Stock Exchange Exchange Plaza, 5th Floor, Plot No –C/1,G Block, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 **Symbol: GRAPHITE**

Dear Sir/Madam,

Re: Recent reports in a section of the media

We refer to emails dated 24.10.2018 received from BSE and NSE pursuant to recent reports in a section of the media in connection with Bengaluru electrode plant. We have to reply as under -

- 1) We have vide our letters dated September 20, 2018 and October 9, 2018 informed the stock exchanges of the issues being faced by allegations of pollution from our Bengaluru plant.
- 2) Pursuant to a show cause notice dated 10.10.2018 issued by the Hon'ble Supreme Court as to why import of needle petroleum coke should not be stopped, we had filed our detailed response with the Hon'ble Supreme Court on 22.10.2018. We have in our response mentioned the following-
 - (a) The Bengaluru plant does not import any needle pet coke nor does it even use domestic pet coke as feed stock or raw material as the extrusion process (which is the first stage of manufacturing process) has been completely stopped since November 2013.
 - (b) Domestically available pet coke (sulphur content between 0.9 % and 1.4 %) is used in Bengaluru plant only as a supplementary packing material just to retain the physical form of the electrode **and not as fuel.**
 - (c) That out of the four observations made by KSPCB, corrective steps were already taken on three observations.
 - (d) As regards the fourth observation of the broken roof sheets, to ensure that the revamping work is completed as early as possible, the Bengaluru plant has voluntarily initiated the process of halting the manufacturing process. For technical reasons the furnaces cannot be shut down forthwith (as it may potentially lead to explosions due to very high temperature in the furnace) and therefore shall be gradually tapered to shut down by end October 2018.





- (e) While work had already commenced for revamping of the roof sheets, the shutting down of the furnaces would accelerate the completion of the roof revamping work, which would be completed by end November 2018.
- (f) KSPCB vide their letter dated 16.10.2018 has permitted the Bengaluru plant to take action of halting the furnaces on or before October 2018 and complete the revamping work before end November 2018.
- (g) The Bengaluru plant will recommence its manufacturing activities after revamping of the roof sheets and re-inspection by KSPCB.
- 3) The Hon'ble Court has also been informed that Graphite India Ltd is a law abiding company and satisfies all environmental standards and norms. Stack emission reports of KSPCB show that the Bengaluru plant is in compliance with the prescribed stack emissions standards. The ambient air quality reports prepared by an independent agency recognized by Ministry of Environment, Forests and Climate Change for the last three years reflecting the compliance, have also been submitted to the Hon'ble Court. The moderate air quality in the area is primarily due to the heavy vehicular traffic in the area.
- 4) Vide our letter dated 9.10.2018, we have already informed the stock exchanges of the halting of the furnaces in a sequential manner by end October 2018 and completion of the revamping work by end November 2018. We have also stated therein that the Company intends to make up for the production loss during the aforesaid period at its other production facilities and expects total production level to remain unchanged.
- 5) During the course of hearing held on 23.10.2018, the Hon'ble court has asked the company to inform how much we are willing to pay on the basis of the Principle of Polluter Pays. The said matter is under discussion with our legal advisors and the same would be informed to the Hon'ble Court on Monday, 29th October 2018.

6) We submit that we do not have information that has not been intimated to you.

Thanking You,

Yours faithfully, For Graphite India Limited

Company Secretary

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