Tirupati Graphite plc

Annual report and financial statements for the year ended 31 March 2021

Registered number: 10742540

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Company Information

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Chairman's Statement

First, may I extend a very warm welcome to the hundreds of new shareholders in our Company, and hundreds of stakeholders too, the Tirupati Graphite ("TG") family has grown from strength to strength in this eventful year. It is also my privilege to present to you the first Annual Report as a quoted company and the fourth since inception. We find ourselves to be fortunate – being in the right space at the right time – contributing to the global cause of mitigating the risks of climate change.

The year gone by was monumental, providing us the opportunity to extend our gratitude to the Financial Conduct Authority ("FCA") and The London Stock Exchange Group ("LSE"), and all of our advisors who helped us complete the process for admission of our ordinary shares on the main board of the LSE. The successful capital raise at our Initial Public Offering ("IPO") paved the way and the oversubscribed follow-on placing completed in April 2021 further strengthened our resolve and conviction to fast-track the development of our three business divisions in Madagascar and India. We stand tall and the Company is proud to be the only fully integrated graphite producer and developer publicly quoted in London.

During the year under review, I am pleased to report that considerable progress was made towards achieving our goal of becoming the pre-eminent supplier of sustainable graphite, graphene and advanced materials. Our focus on graphite and graphene is strategic, based not only on our team's track record of working in the sector for decades, but also on what we believe to be a highly favourable long-term demand profile of a critical material that is a substantial contributor to the global clean energy revolution and therefore, an opportunity for us to become a contributor to the evolution and advancement of new age materials for a greener globe.

You do not have to look far to see just how ubiquitous and important graphite has become to our everyday lives. Not only is it central to the green energy transition and electrification of mobility, but it is also increasingly used in the fire safety, thermal management, composites and advanced materials industries amongst many others, helping to reduce emissions, increase energy efficiency and reduce fire hazards.

According to a report by Battery Metals Review, most commentators are forecasting electric vehicles ('EV') sales to be in the range between 30-40 million per year by 2030, from the circa 2 million EVs sold in 2019 resulting in an 1100% increase in current flake demand for batteries to c.3.1 million tonnes per year by 2030. And that is for usage in batteries alone. Factoring other industries into the equation and the figure is likely to be substantially higher with the likes of UBS suggesting a 7x growth in demand to 5.9 million tonnes per year by 2030.

Notably in our opinion, not all graphite projects currently in production produce sustainable high-quality flake graphite. Much of the current volumes used in electric vehicles reaching the market comes from mines in China which tend to use significant amounts of hydrofluoric acid in their processing methods to produce high purity grades of graphite, a practice which we believe is counter to global sustainability goals in the long term.

As we have successfully demonstrated at our two Madagascan projects, Sahamamy and Vatomina, the Company is able to produce large flake, high-quality graphite using unique and importantly sustainable processing techniques which not only means that our graphite is greener, but that we can deliver it at very high margins. With our first 9,000 tpa module at Vatomina now commissioned at the upgraded capacity, and having raised additional funds in April 2021, we are accelerating our development plans and anticipate total capacity across both projects to reach 30,000 tpa by Q1/Q2 2022. This will represent a ten-fold increase since becoming a listed company in December 2020.

Concurrently, we have been pushing ahead with the redevelopment of the existing hydro power facilities in Madagascar which is targeted to meet most of the power requirements for the current Sahamamy operations. We have also initiated the studies on the use of renewable energy which is aimed at substantially powering our projects in Madagascar when we reach the 30,000 tpa capacity build out under our medium-term development plan ("MTDP").

In addition to our significant achievements under our existing development plans, the icing on the cake for us was entering into a conditional acquisition agreement for the Montepuez and Balama Central projects from ASX listed Battery Minerals Ltd. The acquisition requires approval from shareholders of Battery Minerals Ltd as well as approval by the Ministry of Mineral Resources and Energy in Mozambique. The Montepuez Project is a construction ready project with substantial reserves and resources, while the Balama Central Project is an advanced feasibility stage project with a combined JORC Code (2012) resources of c. 152 million tonnes @ 8.5% TGC. Post completion of the acquisition, the projects will provide us with additional resources to expand and diversify our supply of high-quality graphite as the markets evolve driven by growing demand from EV and other segments. The other advantages of the acquisition for us include diversification of our country risks; access to higher grade deposits; and a complementary type of graphite (i.e. more of the smaller flake variety) which is demanded by the EV sector. The acquisition demonstrates our team's ability to achieve our stated strategic objectives both operationally and corporately. The team are now working with the vendors side to complete the acquisition and have already began re-working the development plans for Montepuez using our in-house expertise and experience; it is our intention to advance into construction and first production in the shortest available time to take advantage of the favourable tailwinds of the graphite markets. We will continue to update the market on the progress of the acquisition and developments as they advance.

Our Patalganga project continues to evolve at a good pace. We continue to create new markets for our range of expandable graphite products and provide the backbone for the creation of markets for our larger downstream specialty graphite project which is under construction. The integrated, multi-product speciality graphite project will provide throughput of all variants required for high-tech graphite applications, thus making us one of the very few companies globally, which can boast the capabilities of providing 'any type of graphite' required to our customers. We have continuously differentiated and evolved our processing technologies for these niche products, distinguishing our manufacturing processes from the conventional processes used by most of the current Chinese sources of specialty graphite, minimising our footprint on the environment and ensuring our projects are sustainable.

In tandem with the growing expectations on sustainable supply chains and the opportunities this presents, we see ourselves evolving as a frontrunner in the energy storage arena, alongside fire safety and thermal management and composites and advanced materials applications of speciality graphite products.

Lastly, but not least, our Graphene and Mintech Research Centre which is our state-of-the-art R&D and technology centre designed to house our manufacturing facilities of graphene and other advanced materials, has completed the first stage development; this is a commendable achievement that truly sets us apart from any other company in the UK and possibly the world. This division of the Company has been making huge strides forward including the creation of manufacturing capabilities for Graphene Oxide ("GO") and Reduced Graphene Oxide ("rGO") at a significant and commercially viable kilogram per day scale; taken on a number of consultancy engagements for process development projects; and has made its first significant in-roads into the new world of metals and 2D composite materials.

The successful development of our ground-breaking aluminium graphene composite ("Al-Gr Composite"), which has the potential to replace copper in many weight-sensitive applications, puts us into the category of other advanced materials technology companies which is an achievement that every stakeholder should take pride in. It is also testimony to the leading efforts and capabilities of the Company in the world of advanced materials. Not surprisingly, we have been receiving a lot of interest for our Al-Gr Composite product and we are now working with a suite of companies to develop it further and pave the way to commercialisation.

To conclude, I again share our principles of value creation, which we have adopted since inception of our Company, and which continue to remain our guiding principles:

- *Value creation for the planet and for future generations:*

  By developing unique materials which have many 'green' applications contributing towards a more sustainable and greener planet for future generations and developing technologies and processes to minimise emission and waste generation.

- *Value creation for our employees:*

  By providing opportunities for performance and learning, achieving corporate goals and personal development, to inspire quality delivery on the objectives and values we strive for.

- *Value creation for the local communities we operate in:*

By looking after our employees and their families and providing healthcare, education and recreational facilities and support for local communities, helping bring communities together and improving their general quality of life.

- *Value creation for our shareholders:*

  Through well considered and crafted business strategies and plans, implemented with persistence and determination, and adopting a culture of cost prudence, hard work, and delivering on targets.

You will observe that in our journey to date, we have performed on each of the four pillars of value creation we set for ourselves at the outset:

1) Providing materials for the green economy and developing novel new age materials;
2) Nurturing human capital and developing a team that delivers;
3) Improving the quality of life of thousands of people in the communities around us; and
4) Delivering on a prudent business plan and creating values for our shareholders reflected in our share price growth.

We are proud of our long history of innovation, our reputation as a respected, well-governed and safe place to work, and the role our products play in the green revolution. At the heart of this success is our team spirit of 'together we can and will achieve our goals'. As the Company continues to grow at a monumental pace, we look forward to maintaining this ethos and upholding our sustainable values to deliver measurable success on every level be it economic, social, or environmental.

Shishir Poddar
Executive Chairman & Managing Director

17 September 2021

Business Review

The capitalised terms used throughout the U.K. Report and Accounts are defined in the notes to our consolidated financial statements unless otherwise indicated. In the following text, the terms "we," "our," "our/your Company" and "us" may refer, as the context requires, or collectively to Tirupati Graphite PLC (or its predecessor) and its subsidiaries.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated, and operational data (including subscriber statistics) are presented, as of 31st March 2021.

A. RECAP

Tirupati Graphite Plc is a diversified company specialising in flake graphite and graphene materials, which significantly contribute to the green economy and the world of advanced materials. The Company has remained focused on furthering its three business divisions, continuing on the road map laid under its medium-term development plan ("MTDP"), and progressing towards its strategic targets. The products and services being developed by the Company contribute to reducing greenhouse gas emissions, generating green and clean energy, energy efficiency, e-mobility, improved resource utilisation and many others. Following the anticipated completion of the acquisition of Tirupati Speciality Graphite Pvt Ltd ("TSG"), the Company will have three business divisions which will be comprised of:

- Primary graphite mining and processing division encompassing the Sahamamy and Vatomina Projects in Madagascar which produce high-quality jumbo, large and small natural flake graphite and provide an ex-China source for this critical material;

- Speciality Graphite Projects in India, which make up the Company's downstream processing division where it is developing capabilities to produce the entire gamut of specialty graphite products including high-purity, expandable, micronised and spheroidised graphite for use in various hi-tech applications. The operating division is currently delivering a suite of expandable graphite products from the Patalganga Project and concurrently the larger scale multi-product facility is in its next phase of development; and

- Tirupati Graphene and Mintech Research Centre ("TGMRC"), which is a state-of-the-art research and development ("R&D") centre, also located in India. Designed as the Company's 'tech-centre', this is focussed on manufacturing graphene; developing applications and advanced materials using graphene, and providing environmentally friendly technologies and professional consultancy services for mineral processing.

The primary graphite mining and processing facilities are held by two subsidiaries of the Company in Madagascar. The Specialty graphite and graphene and technology centre are held by Tirupati Speciality Graphite Pvt Ltd ("TSG"), an Indian private company promoted by the founders of the Company and with whom the Company has an agreement for acquisition and development, which is in the process of meeting regulatory requirements for completion.

The Company utilises proprietary environmentally friendly processes and scalable technologies to deliver affordable products and services to its global customers. During 2019, the Company successfully commissioned its initial 3,000 tpa primary graphite production unit at the Sahamamy Project and the 1,200 tpa speciality graphite plant at Patalganga. The two operations established the Company's 'proof of concepts' with the core objective of de-risking the execution, financing and technology risks for the larger follow-on investments to be made as well as facilitating the development of end-user markets for its suite of graphite products and services. Having successfully proven the concepts, the Company is now embarking on the larger scale developments of its projects under its MTDP to grow and expand its production capacities and product offerings in a staged manner. With a successful IPO and admission to the standard segment of the main markets of London Stock Exchange ("LSE") providing the access to capital markets, the Company was able to continue progress with its development plans set under the MTDP.

As at writing of this report, the first incremental 9,000 tpa primary production unit at Vatomina has been commissioned and construction for the 18,000 tpa third production unit/module under the Primary Graphite division has also been initiated with a target completion during Q1/Q2 2022, which will uplift the total production capacity of primary graphite in Madagascar up to 30,000 tpa. On the projects under development by TSG, stage 1 of TGMRC was commissioned in July 2021 enabling start of revenue generation by the unit which remains under further development on an ongoing basis. The Patalganga project in the meantime continues to operate and its expansion and construction of the first of the two 15,000 tpa production units of the Speciality Graphite Project are being initiated, estimated to complete during Q2/Q3 2022.

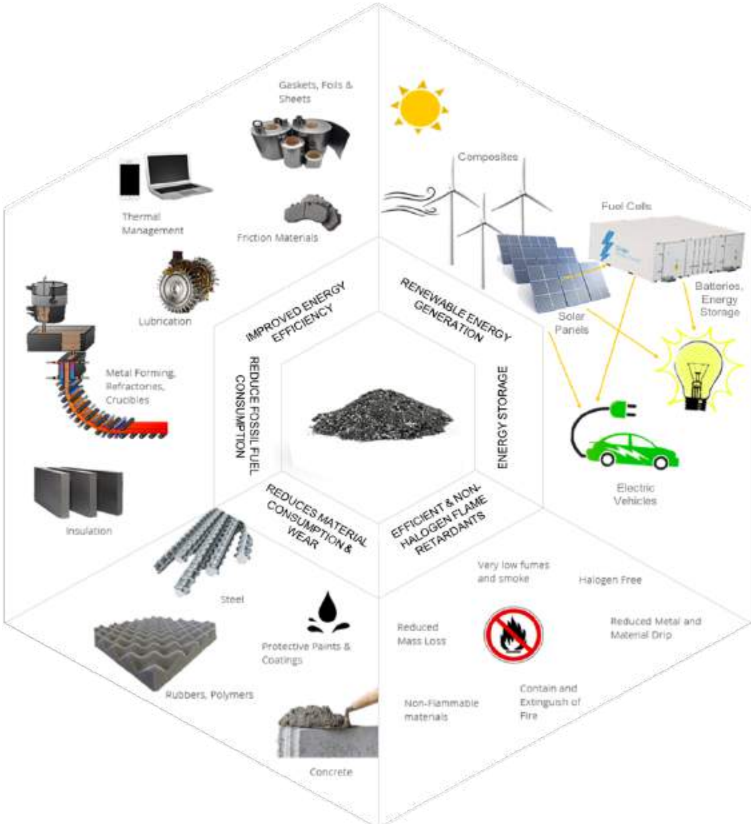
The Company's modular development strategy under its MTDP is designed with the flexibility for further expansion of its operating divisions based on the evolution of the global flake graphite and graphene markets and their derivative products. The strategy takes into consideration the following key objectives:

a. Minimise initial and overall investment capital and accelerate production by deriving early-stage earnings from all of the divisions;
b. Reduce equity dilution and cost of equity by staging capital raises with development and growth and minimising the reliance on external equity capital by leveraging its early stage earnings;
c. Mitigate project development risks through a modularisation strategy, systematically developing markets focussed on engagement with the end-user industry which tracks the growth of the graphite and graphene markets and related developments and technological advances;
d. Lower gestation periods for project development to optimise return on investments;
e. Integrate across the value chain of graphite and organic market development, serving multifarious markets and diverse applications of specialised as well as conventional graphite types;
f. Optimise technologies and operations to ensure lowest quartile costs, optimising production output and maintaining high operating margins to shield the Company from market volatility; and
g. Ensure sustainability is in all spheres including environmental, social and value creation.

The Company continues to develop its businesses under these principles and the year under review saw multifaceted achievements made which were monumental and transformative for the Company, its shareholders and stakeholders.

B. ADDRESSABLE MARKETS

The diverse and unique set of properties of graphite provides an extensive sectoral diversity for the markets for primary and speciality graphite. The long-term demand profile of graphite is highly favourable, including its key role in green mobility being the largest material constituent of lithium ion (“L-ion”) batteries. Additionally, graphite has diverse applications in thermal management in electronics, fire safety, metal manufacturing and forming, fuel cells, polymers, composites and in other advanced materials.



Over 70% of the primary processed graphite is produced in China and over 90% of the downstream processed specialty graphite is produced in China. Thus, diversification of source is essential given the growing demand and importance of flake graphite as a critical mineral. Being a key component in green applications and with extensive dependence on a single dominant source in China, flake graphite has been classified as a critical material by the US, the EU and other major economies. Increasingly, policy initiatives are being announced by governments around the world to secure this and other critical materials which contribute to the Company's advantage of being an alternative, ex-Chinese source of this critical material.

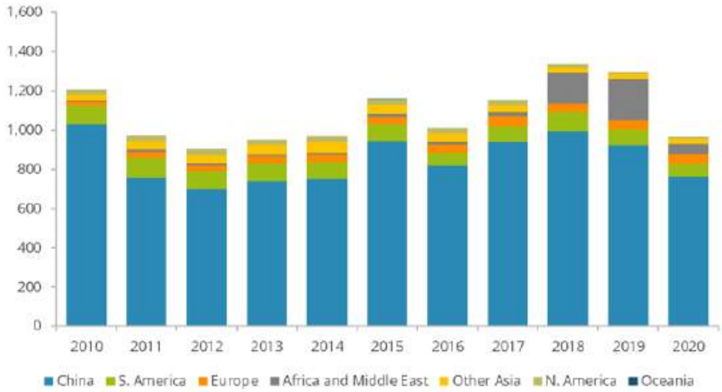


Fig.: World Production of Natural Graphite (in ktpa, by Roskill)

Flake graphite has multiple growing applications with highest demand growth expected from the use of flake graphite in anode of L-ion batteries, which contain three times more graphite than lithium.

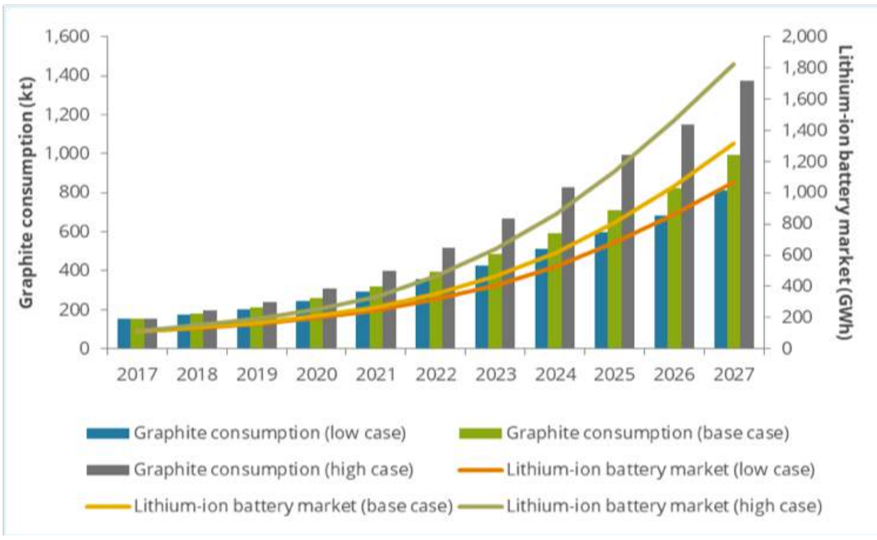


Fig.: Graphite Demand Forecast for Lithium-ion Batteries (by Roskill)

UBS projects a 7x growth in natural flake graphite demand growth majorly from the EV penetration by 2030 to a 5.9million tons market:

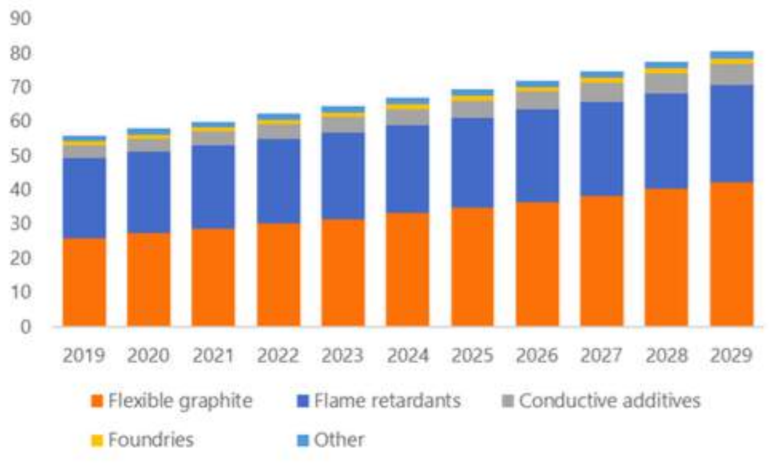
		2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e
Rechargeable Battery Summary											
Rechargeable Li-ion battery demand	**gWh**	273	422	655	959	1,363	1,835	2,425	3,055	3,777	4,605
Graphite anode feedstock demand	:ktpa	**293**	**451**	**697**	**1017**	**1432**	**1926**	**2547**	**3208**	**3965**	**4835**
of which											
Natural Spherical Coated Graphite	:ktpa	161	248	384	559	787	1060	1401	1764	2181	2659
Synthetic graphite feedstock	:ktpa	132	203	314	458	644	867	1146	1444	1784	2176
Graphite anode feedstock demand	**:ktpa**	**293**	**451**	**697**	**1017**	**1432**	**1926**	**2547**	**3208**	**3965**	**4835**
Proportion Natural	%	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%
Spherical Coated Graphite Demand	:ktpa	161	248	384	559	787	1060	1401	1764	2181	2659
Wastage / Yield Loss	%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
EV Flake Demand	**:ktpa**	**323**	**496**	**767**	**1119**	**1575**	**2119**	**2801**	**3529**	**4362**	**5319**
Non-EV Flake Demand	**:ktpa**	**527**	**533**	**539**	**541**	**543**	**549**	**556**	**563**	**571**	**578**
Total Flake Natural Graphite Demand	**:ktpa**	**849**	**1030**	**1307**	**1660**	**2117**	**2668**	**3357**	**4092**	**4932**	**5897**

Source: UBSe.

The World Bank further estimates that up to 500% increase in production of graphite may be required for batteries alone, while Fast Markets forecast a 32% CAGR for the natural graphite demand growth from batteries and multiple car manufacturers have disclosed their plans and targets of shifting to EVs from ICE engines over the next 5 - 10 years.

Additionally, conventional applications of graphite have also shown an increased consumption in a few developing nations with companies focussing on diversifying sources from China.

Furthermore, graphite is being used in other hi-tech applications, forming the core in various new and advance materials and technologies such as expandable graphite is used in gaskets and sheets, fuel cells, flame retardant materials, insulation and more. The demand of natural flake graphite from these applications is also expected to have a significant impact on the consumption of flake graphite over the next few years with a 7% CAGR forecasted by Fast Markets.



Source: Roskill

Fig.: Expandable Graphite Demand Forecast by Roskill

As mentioned, high purity graphite is an essential product in producing battery grade graphite. Currently, the world uses environmentally damaging processes such as hydrofluoric acid treatment method or an energy intensive method for making this product. Over 90% of this material is produced in China. The zero-HF, zero-waste process developed by the group has received a lot of interest and demand from customers across USA, EU and East Asia. Use of micronised graphite in composites, paints and recarburization is also expected to grow over the next few years.

Graphene is equally extraordinary; its amazing strength and conductivity amongst other properties, is set to revolutionise the world of advanced materials with vast amounts of technological developments happening across a range of sectors and applications including fast-charging and foldable phones, consumer wearables, supercapacitors, energy storage, aerospace, automotive, defence, medical, high-end sensors, desalination, and filtration to name a few. Through its extensive work with a number of these industry players, it is the Company's belief that a number of these technologies being researched are on the cusp of mass commercialisation. Therefore, Tirupati is preparing to address the key cost bottleneck for the industry having won over one of the key technological barriers by developing its unique zero-chemical manufacturing technology to manufacture its graphene using the top-down method with high purity flake graphite as the input material.

C. CAPITAL MARKETS ENGAGEMENT

During the year, the Company delivered on its objective of becoming a listed company after obtaining FCA approval for the admission of its ordinary shares for trading on the main board of the LSE under the standard segment with effect from 14 December 2020. The successful IPO concluded with a capital raising for gross proceeds of GBP 6 million at an issue price of 45p per share, resulting in the issue of 13,333,334 new ordinary shares in the capital of the Company. The capital raise was completed using the Company's sole brokers, Optiva Securities Ltd ("Optiva") targeting institutional, sophisticated and high-net worth investors which was complemented by a retail investor offering through PrimaryBid. The IPO capital raise price represented an increase of almost 30% over the previous pre-IPO equity raised by the Company at 35p per share.

Due to favourable graphite market dynamics driven by the EV revolution, the Company initiated a follow-on placing with institutional investors raising gross proceeds of GBP 10 million through Optiva, which successfully closed oversubscribed in April 2021 at an issue price of 90p per share, representing a 100% premium over the IPO price per ordinary share.

Since its listing, the Company has kept its shareholders and markets informed of its activities and significant progress by regular dissipation of information through the Regulatory News Service ("RNS"). Between the date of admission and close of the reporting period the Company made 11 announcements to update its shareholders on its activities and significant progress across its business divisions. Additionally, it provides information to the markets through its website, active social media engagements and via interviews of its CEO and corporate management team members, interaction with the press and online media, podcasts and other prominent IR mediums.

The Company also secured memberships with a range of reputable corporate and industry bodies including with 'The Quoted Companies Alliance', 'The Graphene Council' and 'The Critical Minerals Association' and its executives participated in several industry conferences, events and investor meetings organised through these organisations. The Company was awarded the coveted CFI '2021 Global Award for Best Value Creation Strategy' which was covered by online and print media platforms including the CFI magazine. These activities contributed to raising the Company's corporate profile, visibility and reach to the investment community and its customers.

D. MADAGASCAR PRIMARY GRAPHITE PROJECTS

The Company commissioned its first 3,000 tpa flake graphite mining and processing facilities at the Sahamamy Project in Madagascar as a 'proof of concept' for its planned developments across its two projects in Madagascar. Commercial production was announced at the Sahamamy Project in January 2020. However, soon after, the year under reporting which began on 1 April 2020 saw the spread of the COVID 19 pandemic leading to ongoing restrictions including lockdowns, restrictions in movement of people across borders, constraints in availability and movement of goods and related logistics delays and other associated challenges to operations. The Vatomina Project was under construction for its first 6,000 tpa module with extensive preparatory works completed for the construction of this module with the developments commencing immediately following the successful capital raise and IPO of the Company on 14 December 2020.

Despite the challenges impacting availability and movements of goods and deployment of some of its expat human resources, the Company implemented the necessary protocols and was able to continue progressing with its operations and development across the two projects as further detailed below:

a) Sahamamy operations and development:

The salient features of the Sahamamy Project:

- Project was acquired by the Company in Q4 2017
- 7.8125 sq km (781.25 hectares) Mining License area
- Three additional mining permit applications awaiting to be granted which will add a further 8.98 km^2 (898 hectares) of Mining License area
- JORC (2012) Resources of 7.1Mt @ 4.2% TGC
- 3,000 tpa capacity, proof of concept plant into commercial production since January 2021
- Second 18,000 tpa module to take capacity to 21,000 tpa in development
- Stage two exploration programme in progress to increase and enhance resource definition at Sahamamy
- Logistics limitations overcome with the construction of new interconnecting road linking Sahamamy with the Vatomina Project and direct access to the national highway (NH2) to Toamasina export port
- Extensive internal infrastructure development in progress for the larger plant in construction

The Sahamamy Project started production of sellable graphite from April 2020 at the 3,000 tpa unit incorporating the Company's novel technology of sand separation at the first stage of the process. This resulted in a comparatively lean process flow sheet developed by the Company based on metallurgical tests using its in-house expertise and experience in graphite processing. Within the challenges of its remote location, it then being reachable by a boat ride, the Sahamamy operations were de-bottlenecked, the processes further streamlined and production ramped up to full capacity resulting in commercial production being announced in January 2020.

The table below provides the key operating results for Sahamamy for the period between April 2020 to March 2021:

Particulars	Units	YoY Change	FY 2020-21
Mining & Processing costs	£	+10%	304,975
Human Resources costs	£	+41%	228,731
Logistics utilities & plant admin costs	£	-20%	52,784
(Increase) / Decrease in inventory of inputs	£	+6%	(98,407)
Total Costs of Production	**£**		**488,083**
Total Production	MT	+ 30%	1,718
Cost per MT of Production	**£**		**284**
Total Sales Volume	MT	+54%	1,857
Total Revenues	**£**	**+42%**	**1,123,426**
Average Selling price per MT of Production	**US$ / £ per MT**	**-8%**	**801 / 605**
Gross Profit	**£**	**+66%**	**635,342**
Gross Margin on Sales	**%**	**+9%**	**57%**
Increase in Gross Profit for the year	**%**		**66%**

The key outcomes from the operating results are highlighted below:

- Within Inventories, there was a significant increase in inputs, stores and spares (+50% y-o-y), as the Company increased its inventories of inputs, stores and spares to mitigate against the longer procurement and logistics timeframes due to the impacts of the pandemic;
- Total Production during the year increased by 30% and Total Sales Volume increased by 54% over the previous year;
- Total Revenues increased by 42% over the previous year;

- Realised Average Selling price per MT of graphite sold showed slight reduction which was attributable to reduced market prices in the first three quarters (i.e. April 2020-December 2020) due to impacts of the pandemic, and strengthening of sterling against the US$ during the year from c.US$1.24 to c.US$1.37;
- Notably, Gross Margin on Sales increased by 9% from 48% the previous year to 57%, in line with the Company's expectations as production continues to increase.

During the last quarter of the reporting year (quarter ending 31 March 2021), the Company took the strategic decision to expedite the development of the planned second module of 18,000 tpa at Sahamamy to take advantage of favourable graphite market dynamics. It completed a successful equity placing to raise capital and is fully funded to completion and commissioning for the second plant which is expected to commence production during Q1/Q2 2022.






b) Vatomina Development of Unit 1

Following its IPO and the successful capital raise, the Company was able to fast track the expansion of its first primary graphite production unit at Vatomina which has defined JORC (2012) Resources of 18.4Mt @ 4.6% TGC. Construction activities which commenced at Vatomina included amongst others:

- site preparations for the process plant and related infrastructure;
- strengthening and extension of internal road network;
- acquisition of additional land surface rights to expand the existing land bank in the Vatomina Permit area for defined extensions of mineralised zones;
- procurement of earthmoving equipment and the balance of processing plant equipment;
- hiring and training of additional human resources;
- construction of the new road connecting the Vatomina and Sahamamy Projects; and
- preparations for the next phase of exploration activities to upgrade and expand the existing mineral resource inventory across both projects.

Due to increased demand and reverse enquiries received, the strategic decision was taken by the Company in February 2021 to upscale Vatomina's first module by 50% from the planned 6,000 tpa capacity to 9,000 tpa, with an associated incremental CAPEX cost of around 30%. The higher capacity of the first module at Vatomina will boost near-term cash flow generation and enable the Company to capitalise on rising demand and prices for its Madagascan primary flake graphite.

On 21 April 2021, the Company announced the opening of the Vatomina mine which marked the start of excavation of overburden and first ore mined for the upcoming 9,000 tpa module at Vatomina. Stockpiling of the ore mined commenced and was used as the feedstock for the commissioning of the project through to commercial production.

On 6 September 2021 the Company announced successful completion of commissioning of the 9,000 tpa module and commencement of sellable production which was being stockpiled awaiting shipment to fulfil pre-orders received by the Company from customers in Europe, USA and Asia.

The following table summarizes the total investments made in both projects up to end of August 2021, including investment in exploration and evaluation since the inception of the Company:

Vatomina Project				
Head of CAPEX	**Investment (£) Up to 31.03.2020**	**Investment (£) During 01.04.2020 to 31.03.2021**	**Investment (£) During 01.04.2021 to 31.08.2021**	**Total Investment (£) As at 31.08.2021**
Land Lease payments	37,767	(5,335)	(352)	32,080
Earthmoving & Drilling equipment procured	328,178	236,949	-	565,127
Processing Plant & utilities construction	168,093	475,822	645,991	1,289,906
Infrastructure development & Admin Assets	31,556	36,330	325,966	393,852
Evaluation & Engineering	738,830	331,530	375,160	1,290,271
Total Investment	**1,304,424**	**1,075,296**	**1,346,765**	**3,571,236**

Sahamamy Project				
Head of CAPEX	**Investment (£) Up to 31.03.2020**	**Investment (£) During 01.04.2020 to 31.03.2021**	**Investment (£) During 01.04.2021 to 31.08.2021**	**Total Investment (£) As at 31.08.2021**
Earthmoving Equipment	240,357	39,024	-	279,381
Processing Plant	520,634	23,157	44,174	587,965
Infra & Admin Assets	39,858	6,776	127,421	337,757
Exploration Evaluation & Engineering	163,702	103,639	77,377	344,718
Total Investment	**964,551**	**172,596**	**248,972**	**1,549,821**

(Note: the figures for the period 1 April 2021 to 31 August 2021 are unaudited figures for the current year and derived from the books of accounts of the Company for the period.)






c) Stage II Exploration Programme

As part of its preparations for listing and forming part of the Company's prospectus, SRK Mining Services (India) Private Limited ("SRK") was engaged to produce a Competent Persons Report ("CPR") to present a summary of the geology and exploration undertaken by the Company on its Madagascan projects including presenting a Mineral Resource statement in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, ("JORC Code (2012)") dated 1st June 2020 and to review the Company's strategic development plans for Sahamamy and Vatomina.

In its CPR, SRK opined that both Vatomina and Sahamamy remained open to the strike extension as well as down-dip extensions which could enhance the resource of the deposits. Furthermore, there may be potential for additional mineralised zones beneath the current known area indicated by the results of the deeper holes drilled by the Company. Further geological mapping added good potential for further extensions to the known deposit areas and the potential mineralisation extensions to the north and east were a priority for future exploration drilling, including infill drilling in the known area to upgrade confidence in the defined resources.

In response to the recommendations under the CPR, in February 2021 the Company announced the commencement of its Stage II exploration and drilling programme ("Stage II Programme") across its primary flake graphite projects in Madagascar. SRK's engagement was extended to oversee the Stage II Programme and to update and upgrade the Company's Mineral Resource Statement ("MRS") for the Vatomina and Sahamamy Projects.

The Stage II Programme, which is anticipated to take around 6-9 months, will target enhancing the Company's global resource base by:

- Increasing geological confidence in areas currently categorised as Indicated and Inferred Mineral Resources;
- Establishing additional Mineral Resources in areas previously identified by SRK as Exploration Targets and open extensions; and
- Completing drilling and trenching programmes:
  - c.10,000 metres of auger drilling;
  - c.1,000 metres of trenching; and
  - c.5,000 metres of diamond core drilling.

d) Renewable energy development

In accordance with its stated principles on sustainability, the Company intends to maximise the use of renewable energy to meet the power needs for its processing operations in Madagascar. Historically, the Sahamamy Project had been powered by a 50Kw hydro power generation facility which was subsequently decommissioned by the previous owners c.15 years prior to our acquisition of the project. Additionally, studies were conducted by the Company to determine additional hydro power prospects across the two projects.

During the year, the Company took the strategic decision to re-establish the dormant hydro power facility at Sahamamy, optimising the generation capacity up to 100 Kw and to further progress the hydro power studies for the previously identified prospects. The rebuild of the 100 Kw facility was initiated during the year with the appointment of relevant advisors and consultants to support the construction activities for the hydro power facility which is planned to be completed and brought into use around the end of 2021.

In addition, the Company has started investigating other renewable energy options for the projects including the use of wind and solar energy to meet its power requirements for the operations at both projects.

e) Rehabilitation and Restoration

The project areas in Madagascar are located within a moderately undulating area and the Company's mine planning takes this into consideration to take advantage of the topography. The nature of the deposit and pit design is such that rehabilitation and restoration of mining areas is an ongoing and concurrent activity undertaken by the Company with the:

- Mining overburden being used to reclaim land in swamps and wasteland areas located near to the mining pits, which would otherwise remain as unproductive land areas;
- Ore feedstock which is constituted by c.50% in the form of sand being extracted as a construction quality sand by-product of ore processing, which is currently being re-purposed and used by the Company in its ongoing construction and infrastructure building activities at project sites, thereby achieving the waste-to-wealth objectives of the Company; and
- Ongoing re-vegetation programme working in conjunction with the local communities to harvest new tree plantation areas across the local communes to ensure any green vegetation areas which are impacted by the Company's operations are replaced by new trees and vegetation.

The Company is conscious of the environmental impacts of its mining activities and has designed its processes to ensure the Company conducts its activities in a way that it shall comply with the obligations under its environmental license and the mining code of Madagascar. Additionally, the Company also fulfils its corporate social responsibility toward the people and communities in its area of operations through various activities as detailed under the Community Engagement section below and in its Sustainability Report.

f) Snapshot of Consolidated Income Statement

Summary of the Group's consolidated income statement for the year ended 31 March 2021 is as follows:

	2021	2020	YOY Change	Commentary
	GBP	GBP	%	
Revenues	1,123,426	793,577	42%	Revenues grew by 42% due to increased production and sales, see details in next slide
Cost of Sales	(488,083)	(411,899)	18%	Cost of Sales grew by only 18%, demonstrating increasing profitability
Gross Profit	635,342	381,678	66%	Resulted in Gross Profit increase of 66%
Less Administrative Expenses	*(1,481,954)*	*(1,066,551)*	39%	Admin expenses increased due to costs associated with listing
Less Share based payments	*(49,627)*	-	-	Fair value of the warrants issued as per IFRS 2
EBITDA	(896,239)	(684,872)	31%	Resulted in an increase in negative EBITDA by 31%
Less Depreciation	*(205,723)*	*(127,100)*	62%	Increase in line with growth in depreciable assets
EBIT	(1,101,962)	(811,972)	36%	Negative EBIT increased by 36%
Less Finance Cost	*(147,151)*	*(46,003)*	220%	Finance Costs increased due to increase in funding activities, see details in next slide
EBT	(1,249,113)	(857,975)	46%	Resulted in increase in negative EBT by 46%
Less Taxes	*(27,827)*	*(54,767)*	(49%)	Deferred tax provision has reduced as only ER currently providing for deferred tax assets
EAT	(1,276,940)	(912,742)	40%	EAT loss increased by 40%
Loss per share (Basic)	2.61 pence	1.53 pence	71%	Basic Loss per share increased by 71%
Loss per share (Diluted)	2.37 pence	1.53 pence	55%	Diluted Loss per share increased by 55%

E. TIRUPATI SPECIALITY GRAPHITE PVT LTD

Tirupati Speciality Graphite Pvt Ltd ("TSG") is a private Indian company promoted by the founders of Tirupati Graphite Plc. TSG is engaged in downstream processing of flake graphite, development of graphene and advanced materials and mineral processing technology development.

The Company refers to downstream processed flake graphite products which are manufactured by the Company through TSG as specialty graphite products. Specialty graphite is a term used by the Company whereby primary flake graphite (primarily from its Madagascar operations), undergoes further processing to upgrade the purity of the flake graphite material from c.94%-96% Total Graphitic Carbon ("TGC") to >99% TGC and is subjected to other treatments to make it appropriate for use in various hi-tech applications including energy storage, flame retardants, thermal management, composites, lubricants and various others. Volumetrically, hi-tech applications currently constitute approximately 30% of the global flake graphite consumption, although value wise, its market size could well exceed that of primary flake graphite owing to the value added in downstream processing. High-tech applications of graphite also contribute extensively to the green economy thus, graphite represents a critical material in global efforts of reducing GHG emissions.

Graphene is the first two-dimensional material discovered and deciphered by mankind and exhibits properties hitherto unseen in any other material. Since its discovery in 2004, extensive research has been undertaken globally into the development of processes and applications of graphene.

On 10 October 2018, the Company entered into a conditional agreement for the acquisition of 100% of the existing issued share capital of TSG as a forward integration prospect and on the background of its ability to provide development capital for TSG plans. The consideration for the acquisition was £2,000,000 based on the valuation of TSG determined at the time in accordance with the related regulatory framework in India for such an acquisition. The consideration was agreed to be satisfied by the issue of 10,000,000 Ordinary Shares in the Company at an issue price of £0.20 per share, being the price at which the Company raised equity capital at that time as an unlisted company. The completion of the acquisition of TSG by the Company remains subject to regulatory approvals which could only be progressed once the Company demonstrated the expectations as is further described below:

- The Central Government of India formulated an act to encourage external payments and across the border trades in India known as the Foreign Exchange Management Act (“FEMA”), which is regulated by the Reserve Bank of India (“RBI”).
- An investment made by an Indian entity outside of India is defined as Overseas Direct Investment (“ODI”) under FEMA under which the Company is considered to be an ODI given its Indian founders.
- An investment made by an ODI in India is defined as Foreign Direct Investments (“FDI”) and the transaction and any further investment by the Company into TSG are therefore considered as FDI under FEMA owing to the Company being registered in England and Wales.
- As the acquisition constitutes a share swap arrangement, approval by the RBI must be obtained for the acquisition transaction of TSG under FEMA regulations.
- All transactions under FEMA that are required to be reported to, or approvals sought from the RBI must be made through “Authorised Dealers” of Foreign Exchange under FEMA. TSG's banker, ICICI Bank India, is considered to be the Authorised Dealer.
- Having consulted its legal counsel and the Authorised Dealer, it has been determined that the transaction is of an unusual nature from a FEMA perspective and to ensure success in securing RBI's approval, the Company and TSG must establish:
    - Bona fide purpose of the transaction with the two clinching factors being the integration of both parties to the transaction and the Company’s ability to provide the capital needs for development of the projects planned by TSG;
    - There is ‘no round tripping’ (i.e. the outflow of Foreign Exchange from India as an ODI and return of the funds back to India as FDI); and
    - The Company is registered in a well-regulated jurisdiction, which is demonstrated by its admission to the official list for trading of its ordinary share on the main markets of the LSE which is regulated by the FCA.
- It was therefore determined that the application to the RBI for approval of the acquisition transaction should be made following the Company’s IPO and listing on the main markets of the LSE and the Company having raised sufficient capital which demonstrates that:
    - The Company has sufficient funds to deploy as initial investment into TSG and that is has ongoing access to further capital for development of the business of TSG;
    - The number and diversity of the shareholder base of the Company including the fact that the capital it has raised is primarily from the London capital markets which establishes that the funds available to the Company are not investments that have emanated from India, and therefore there is no round tripping of funds.
    - Admission, whilst not a condition under the FEMA regulations, further demonstrates that the Company operates under a well-regulated and advanced jurisdiction.

Following the Company’s IPO, the Company was advised by its legal adviser that it has a Concert Party for the purposes of the Rule 9 of the Takeover Code comprising TCCPL, Shishir Poddar and his family and Hemant Poddar and his family. The fact that the holdings by the Concert Parties in the Company had dropped below 50% following the IPO, there were restrictions on issue of new shares in the Company to the founders who constitute the Concert Party which necessitated a whitewash process for the issuance of the consideration shares for the pending acquisition. The Company and its advisors, Bird & Bird and Optiva Securities Ltd, have made preparations for a whitewash and a meeting of the independent shareholders of the Company has been convened for late October 2021. Post approval of the whitewash, the process for approval of the RBI for the acquisition is expected to be recommenced.

In the interim, the Board of the Company in its meeting held on 17 January 2021 approved investment in the equity of TSG by way of fresh equity subscription as may be permissible under FEMA and the Chairman was authorised to take all necessary steps for the purpose. Consultations were made by TSG for the purpose, and it was determined that such equity infusion shall also require the approval of RBI and a current valuation of TSG shall be required from a Category 1 Merchant Banker in India for progressing the new equity subscription by way of FDI. Thus, no equity infusion was made in TSG during the reporting period by the Company and a process for seeking the ability for such infusion is being undertaken.

Although the acquisition of TSG is not yet complete, the Company continues to work in close coordination with TSG and an account of the activities of TSG during the reporting period is provided below:

a) Development of specialty graphite products and projects

In July 2019, TSG commissioned the Patalganga project for the manufacturing of expandable graphite composites for use in flame retardant and thermal management applications amongst others, and to act as a precursor to establish end-user markets and further de-risk development and execution risks ahead of start of construction of its planned larger scale, integrated speciality graphite projects.

Through the reporting period the Patalganga project continued its expandable graphite composites manufacturing operations and also served as a support centre for sales of the Company's Madagascan flake graphite to smaller consumers in the Indian market. Concurrently, the Patalganga project was used as a showcase to larger prospective customers and to develop direct shipments channels to larger consumers for the Company's Madagascar flake graphite.

TSG is further engaged in developing expandable graphite based advanced materials and during the reporting period, successfully developed a launched a composite flame retardant product for use in manufacturing Polyurethane Foam meeting the standards of EU, EN45545 at Hazard Level 3, which is the standards adopted by Indian Railways for use in the manufacture of foams for railway sleeper coaches. It further achieved REACH Certification of its expandable graphite products for sales within the European Economic Zone and since, has been engaged in progressing qualification and commercial sales to various companies in Europe alongside other markets it is serving.

On its further development path, TSG is progressing:

- Relocation of its existing facilities in Patalganga from currently leased premises to owned premises acquired from the Maharashtra Industrial Development Corporation;
- Extending the capabilities of the Patalganga facility to add high purity graphite and potentially a small commercial scale spherical graphite facility; and
- Development of a larger scale, integrated speciality graphite project with a capacity of 30,000tpa to be developed in two equal phases.

b) Tirupati Graphene & Mintech Research Centre ('TGMRC')

Scientific advances and technological change are important drivers of economic performance and scientific research results in the creation of new knowledge, creating expanded capabilities that enable development of novel technologies and new processes and products. Advances in research are driving technological changes faster which will have high economic, social and environmental values. Advancements in new age materials have the potential to extensively contribute to the goals of sustainability, which forms the guiding principles of TGMRC, a project established and being developed by TSG in Bhubaneswar, India.

TGMRC is designed to provide technological support through its state-of-the-art research facilities focused on the development of cost effective and environmentally friendly technologies for primary and specialty graphite processing and technological support to the Company and its customers. TGMRC has also developed a unique process for the manufacture of graphene at a commercial scale and is engaged in development of graphene based advanced materials. It is also working on developing other applications of graphene in its own right as well as in association with industrial and research houses in target application areas.

In addition, TGMRC is leveraging its expertise in mineral processing technologies on a consultative basis to other companies in the sector in India and globally. The centre is intended to be a self-sustaining operation with revenues generated through the sale of its graphene and ultra-high purity graphite products and through fee income from its complimentary industry consulting service operations which it has established.

The first stage of facilities at TGMRC include startup facilities for the manufacture of graphene and kilograms scale of a novel aluminium graphene composite ('Al-Gr Composite') which was developed and commissioned in July 2021. The facility is being further developed to expand capacities and capabilities over the next three years in accordance with the Company's MTDP. TSG and the Company have engaged with various prospective users of both graphene and its Al-Gr Composite with a view to develop commercial applications of these new age materials.

The regulatory limitations in providing equity capital to TSG shall remain a bottleneck until completion of the acquisition, although the Company continues to engage with TSG within the limitations to overcome the regulatory hurdles.

F. HUMAN CAPITAL

The key contributor of the Company's core competencies, and those that are the key drivers of its value creation efforts are derived from its human capital. The Company was created by a combination of entrepreneurial expertise in the flake graphite and graphene space from its principal founder Mr. Shishir Poddar, serving as the Executive Chairman & CEO since inception, combining the support of co-founders and NED's Mr Christian G St. John-Dennis, providing the link to the London capital markets, and Mr Hemant Poddar, brother of the Executive Chairman.

The Board of the Company, which constituted the three founders since inception, has been strengthened by the addition of two independent Non-Executive Directors, Mr. Rajesh Kedia in 2018 and Mr. Lincoln John Moore in the year under reporting.

The executive management team of the Company, headed by the Executive Chairman & CEO, is constituted by leaders in the areas of corporate and financial affairs, marketing and business development working alongside operations teams and project heads appointed by the Company to manage the subsidiary business units within TSG and TGMRC. The members of the executive management team and its business unit heads are appropriately qualified and experienced in their respective areas of activities to carry out the roles and responsibilities required to deliver on the Company's MTDP and to effectively manage the operational and corporate affairs of the Company.

The 'Key appointments to strengthen and support rapid growth of the Company across all divisions' section of the Strategic Report provides further details of appointments made by the Company during the reporting period.

Brief bios of the members on the Company's Board and senior management can be seen on its website https://tirupatigraphite.co.uk/management/

The Company believes that its human capital is vital to the techno commercial advantages leading to its low CAPEX intensity, lowest quartile OPEX intensity, in house design and EPC capabilities, exploration and evaluation expertise, product and capital markets engagement and other areas which are required to continue creating value to shareholders. Therefore, the Company remains conscious of suitably rewarding its human resources in line with its continuing successes.

G. FINANCE & CORPORATE FINANCE

The Company considers it vital for its ongoing success and competitiveness that it:

- has adequate financial resources to meet its ongoing investment and working capital needs;
- prudent in the use of its financial resources which is also embedded in its ecosystem; and
- is able to maintain its low CAPEX and OPEX advantages as one of its key competitive advantages.

a) Ensuring capital adequacy

Since inception, the Company has indulged in extensive outreach to investors through its Broker and has participated in various events to make information about its projects and development plans available. In the lead up to its IPO, the Company conducted road shows for institutional investors, held one to one and group meetings with professional investors and undertook a successful retail offering through PrimaryBid providing all classes of potential investors with the investment opportunity at its IPO which saw it successfully raising gross proceeds of £6 million. Following IPO in December 2020, the Company undertook a follow-on placing which completed in April 2021 raising gross proceeds of £10 million at an issue price of 90p per ordinary share which was oversubscribed. The funds raised through the follow-on placing provides the Company with the ability to expedite its expansion plans across its businesses as well as providing a cushion for its capital planning and investment activities.

b) Extending reach to investors and optimising capital raise costs

The reach and visibility of the investment opportunities in the Company and therefore, its ability to raise capital was limited as an unlisted company. Whilst it was successful in raising capital pre-IPO, the continued to prepare itself for life as a listed entity. The successful admission to trading of the Company's ordinary shares on the LSE transformed the Company's visibility and reach to prospective investors. Post year end, the Company further initiated the process of listing for trading of its ordinary shares in the New York based equity trading platform OTCQX that promises to further extend its reach to investors in North America, which is expected to complete in due course.

It is worthwhile to note that the listing of the Company's ordinary shares has led to the ability to raise capital at a significantly lower cost as compared to the pre-IPO and IPO costs for raising capital.

Prudent use of financial resources

The Company continues to take a prudent approach in the use of its capital resources which is demonstrated by its development and funding plans which target early-stage revenues; maximising the use of in-house capabilities and expertise; focus on controlling of its exploration expenditures and project development investments prior to first revenues from operations; and ongoing optimisation to reduce its operating costs and improving margins.

During the year, post its IPO, the Company prioritised development of its Vatomina project upscaling the output capacity of the first module by 150% of the originally planned capacity, which was designed to capitalise on its outstanding operating margins achieved from the first 3,000 tpa module at Sahamamy. Simultaneously, the Company implemented the re-establishment of the hydro power plant at Sahamamy which is aimed at reducing use of fossil fuels as well as a reduction in operation costs and further improving its already healthy operating margins.

To further enhance its capacities across its projects, the Company targets to reach the following production capacities and product capabilities upon completion of the first phase of its MTDP which is expected to be completed by mid of 2022:

- 30,000 tpa of primary graphite mining and processing in Madagascar across the Sahamamy and Vatomina Projects;
- c. 16,000 tpa of downstream speciality graphite in India under development by TSG;
- First stage of its Graphene and Technology centre with industrial scale graphene manufacturing capabilities, advanced materials development and mineral processing technology consultancy to capitalise on near-term revenue and commercialisation opportunities.

Operations at its Sahamamy project are ongoing and generating positive operating margins as outlined above under "Sahamamy operations and development". With operations and production from the first 9,000 tpa module at Vatomina coming on-stream, the Company expects to be able to improve on the gross operating margins which it has already achieved at Sahamamy as Vatomina is targeted to yield even lower costs of production as the 9,000 tpa module is three times higher than the 3,000 tpa module in operation at Sahamamy.

c) Prudency in controlling CAPEX and OPEX cost advantages

One of the Company's key advantages over its peers in its primary mining division is its proven ability to execute and deliver its projects bringing on new capacities at industry lowest capital intensity ("CI") per unit of production capacity and lowest quartile operating costs.

Some of the factors that contribute to the Company's advantage in terms of its CI include:

- Use of in-house expertise of the Executive Chairman & CEO and senior management team members who collectively have decades of experience in design and development of graphite processing facilities;
- Technological advantages of having a lean process design and custom material handling equipment;
- Proven in-house EPC capabilities including plant design construction and fabrication, infrastructure development and installations with self-owned fleet of equipment;
- Sourcing of core processing plant equipment such as milling and flotation equipment which are custom built for the Company from the equipment manufacturing facilities of the founders which have been used for flake graphite processing an evolved over decades; and
- Sourcing of other equipment such as dehydration and drying systems, and finishing and screening systems from approved suppliers which have evolved over years as tailor made to suit flake graphite processing with proven track record; and
- Engineering facilities created by the Company at the project site which enables it to manufacture bunkers and silos, conveyors and similar components of the processing plant; and
- In house capabilities to design and set up ancillary facilities like power supply systems, water supply lines and tailing management facilities.

Regarding OPEX, the Company's demonstrated lowest cost quartile achievements are the result of a number of factors, some of which are as follows:

- Nature of the deposits being saprolite, allows for free dig mining using smaller sized fleet of earthmoving equipment and avoids the need for blasting;
- Favourable flake size coupled with saprolite ore reducing milling requirements resulting in a leaner process;
- Proprietary process technology including SAGE which separates the sand in the first phase of the process and reduces the volume of ore through the beneficiation plant reducing wear and tear and energy requirements;
- Optimised use of attrition and milling techniques minimising the operating costs and energy consumption in the process; and
- Locational advantages and short distance connectivity to shipping ports.

The Company recognises that its core cost advantages are derived from its internal expertise inherited from the principal founder and experienced Human Capital. As the Company continues to grow its businesses and expand its human capital, the existing human capital provides the know-how for the new personnel to undergo on-the-job training and development of skills and expertise necessary to complement and enhance the strength of the teams within each business unit of the Company. Training and development, vocational and operations training are also provided to the in-country local workforce of the Company to give them the necessary skills and expertise required by the Company for its operations which will help it maintain its cost and other advantages.

H. INORGANIC GROWTH OPPORTUNITIES

The Company's management are active and cognisant of opportunities for inorganic growth through acquisitions, joint ventures, partnerships and/or collaborations in the graphite and graphene sector and have identified a number of priority targets which it actively monitors.

On 17 August 2021, the Company announced that it had entered into a binding acquisition agreement for the acquisition of the entire issued share capital of Suni Resources SA ("Suni Resources") (the "Acquisition"). Suni Resources holds the Mozambique portfolio of graphite assets of ASX listed Battery Minerals Limited ("Battery

Minerals"), which includes the construction initiated Montepuez Graphite Project ('Montepuez" or the "Montepuez Project") and the advanced feasibility study stage Balama Central Graphite Project ("Balama Central" or the "Balama Central Project"). The Acquisition includes all associated assets, infrastructure, permits, licenses, and intellectual property on both projects for a total consideration of AU$12.5 million (circa £6.6 million) in a cash and shares deal. The Acquisition is subject, amongst other things, to the mandatory shareholder approval of Battery Minerals and approval of the transaction by the Ministry of Mineral Resources and Energy in Mozambique.

Mozambique is home to commercially significant deposits of graphite and a key determinant of mining opportunities in Mozambique is the global energy transition, which has driven demand for certain minerals needed to fuel electric vehicles and vehicles that rely on hydrogen fuel cells. Mozambique is well-positioned to take advantage of this market boom, with mining operations already expanding across Cabo Delgado where the projects are located as well as Gaza, Manica, Maputo, Nampula, Niassa, Tete and Zambezia.

The Acquisition is in line with the Company's stated strategy of diversifying its resource base and mitigating country risk. The two complementary world-class graphite deposits, spread over a combined 18,500 hectares permit area would add mineral resources of over 152 million tonnes at 8.5% TGC upon successful completion of the acquisition, which would significantly increase the Company's JORC Code (2012) mineral resource base and at the same time, complement the Company’s existing mix of predominantly jumbo and large flake graphite products from its Madagascan projects.

Extensive pre-development work and a Definitive Feasibility Study ("DFS") has been conducted by Battery Minerals on the Montepuez project and construction was initiated for a first stage of the projects development with a c. 100 person base camp, plant area grading and tailings dam construction completed or substantially completed and certain long lead equipment items, including a primary crusher unit on order with Battery Minerals having already spent over AU$13 million towards construction activities to date.

Upon completion of the Acquisition, the Company intends to further optimise the project development plans leveraging application of its extensive and proven expertise in developing graphite projects to minimise investment and optimise operating costs while looking to retain the plans to develop an up 100,000 tpa operations in modules, owing to visible and growing market opportunities in the green economy.

The Acquisition will further solidify the Company's divisional structure of primary mining and processing projects in Madagascar, Sahamamy and Vatomina, and speciality graphite and graphene processing businesses in India.

I. IMPACT OF COVID 19 PANDEMIC

The reporting period continued to be under the impacts of the pandemic. Some of the effects of the restrictive measures on the Company’s operations during the reporting period are as below:

- In Madagascar, the Company was fortunate in that its operations, being a permitted industrial activity, managed to avoid much of the lockdown orders that were issued by the Government of Madagascar from mid-March 2020 and thus, was allowed to continue its operations.
- However, restricted movement of required inputs such as spares and fuels became an impediment to its operations which resulted in bottlenecks in the Company’s operations from time to time.
- Movement of finished goods from the plant to the port was affected from time to time and the Company managed the movement with support from the local Government.
- Travel of senior management team members was restricted thus requiring prolonged periods of deputation and limited the extent of time at site of some key senior management team members.
- A temporary reduction in consumption of graphite was reported earlier during the year and temporary closures were inevitably announced by some buyers and competitors with the situation only beginning to normalise towards the latter part of the year as global trade started to recover from pandemic levels.
- The reduced consumption resulted in a moderate softening of graphite prices over the first 3 quarters of the year which, as reported, has started to recover over recent quarters into 2021 as global markets and demand started to recover to pre-pandemic levels.
- The Company is pleased to confirm that it did not have any reports of any of its employees at the project sites testing positive for COVID-19 to date.

- The development of the first 9,000 tpa module at Vatomina was completed in early September 2021 which was slightly delayed due to increased timeframes required for procurement of equipment and delayed transit times of shipping and other logistics.
- Global sentiments for diversifying supply sources away from China have led to increased approaches from buyers in Europe and other consuming locations for the Company's graphite.

While the global Pandemic has not caused any material or significant negative impacts on the Company's operations to date, except to the extent described above, it has opened opportunities for the Company as well. The Company adapted its operations accordingly by implementing appropriate safety and testing protocols at all its locations and taking necessary steps to minimise the risk to its operations and its human capital. It also promoted vaccination amongst its team members and believes that it is now better equipped and prepared. Not only was it able to continue its operations throughout the pandemic but was able to register growth in its businesses by successfully completing building additional operating capacities and successfully continued to expand markets for its products. With the global recovery from the pandemic picking up, the Company expects to continue its progress on all fronts, unless we see a global surge related to a pandemic or health emergency with severity higher than what was seen in the period.

This report was approved by the Board of Directors on 17 September 2021 and signed on its behalf by

Mr Shishir Poddar
Executive Chairman and Managing Director

Strategic Report

Pursuant to the requirements of the Companies Act, this document includes our Strategic Report, Directors' Report and required financial information (including our statutory accounts and statutory Auditors' Report for the year ended 31 March 2021), and forms part of our UK Annual Report and Accounts for the year ended 31 March 2021 (the UK Report and Accounts), as required by English law.

Principal activities

The principal activities of the Group are described in detail in the Business Review.

Events since the year end

The Company continues to progress development of its business, adequate financial resource mobilisation and other corporate activities. The significant events since the end of the year include:

- completion of an oversubscribed placing to raise gross proceeds of £10,000,000 completed in April 2021;
- signing of a binding agreement subject to certain conditions for completion for acquisition of the portfolio of graphite assets in Mozambique held by ASX listed Battery Minerals Ltd.;
- Commissioning and start of sellable production from the new 9,000tpa flake graphite facility set up at the Company's Vatomina project in Madagascar;
- Start of development of 18,000 tpa flake graphite facility at the Company's Sahamamy project in Madagascar

Results for the year ended 31 March 2021

A summary of key financial results is set out in the table below. The Group and Company's primary financial statements are found on pages 60 onwards.

In summary:

- The net interest cost for the Group for the period was £147,151
- Administrative expenses from continuing operations £1,737,304
- Group loss after tax from continuing operations was £1,276,940
- Basic and diluted loss per share from continuing operations was 2.61 pence & 2.31 pence respectively
- As at 31 March 2021, the Group had cash and cash equivalents of £1,644,189

The shares issued during the year, are detailed in note 20.

Key performance indicators

The key performance indicators of the Group are set out below:

	2020-21 £	2019-20 £
Revenue	**1,123,426**	**793,577**
Cash and cash equivalents	**1,644,189**	**46,640**
Gross assets	**9,933,700**	**6,329,475**
Earnings per share	**(2.61p)**	**(1.53p)**

DIRECTORS' STATEMENT UNDER SECTION 172 (1) OF THE COMPANIES ACT 2006

Section 172 (1) of the Companies Act obliges the Directors to promote the success of the Company for the benefit of the Company's members as a whole.

This section specifies that the Directors must act in good faith when promoting the success of the Company and in doing so, have regard (amongst other things) to:

a) the likely consequences of any decision in the long term;
b) the interests of the Company's employees;

c) the need to foster the Company's business relationship with suppliers, customers and others;
d) the impact of the Company's operations on the community and environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct' and
f) the need to act fairly as between members of the Company.

The Board of Directors is collectively responsible for formulating the Company's strategy, which is to become a multi-asset, multi-jurisdictional, fully integrated producer and developer of high-grade natural flake graphite and graphene and advanced materials company, as outlined in detail in the Strategic Report.

The strategies developed and executed by the Company has resulted in achieving value creation and de-risking of its development plans adopting the step-by-step approach under the leadership and guidance of the Board of Directors.

Some of the key decisions taken by the Directors during the year under review and the significant outcomes achieved by the Company aimed at delivering on its strategies included:

- **Maintaining full focus and commitment on becoming a listed entity**

  Since its inception, the Company's strategy was to become a listed entity on an international exchange of which it chose the standard segment of the main market of the LSE. As expected, the Company's path to becoming a listed entity faced various headwinds along the way but throughout, the Board's focus was unwavering and during 2019 and going into the 2020 reporting period, the Board resolved to remain fully committed to completing the IPO process and listing the Company as soon as practicable.

  The Company had been in a good position to achieve its IPO during Q2 of 2020 when the global pandemic started to grip the world and invariably this had a significant impact on global markets and specifically on the capital markets in London and the landscape for new IPO's.

  After the initial shock of the lockdown measures imposed by the government in the UK and around the world and as people and businesses adapted to the new 'norm', the Company ramped up its efforts to achieve its IPO as was mandated by the Board and on the 14th December 2020, the Company's shares were admitted to trading on the LSE marking the start of the Company's life as a listed entity.

  The successful listing of the Company on the LSE fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Appointment of Mr Lincoln John Moore as an independent NED to further enhance the depth and experience of the Board**

  The Company had always intended that prior to becoming a listed entity it would be advantageous to Company and for the benefit of its shareholders to expand the Board representation to a complement of five members who shall possess a wide and diverse range of skills and experiences which would bolster the strength and independence of the Board. With this objective in mind, the Company appointed Mr Lincoln John Moore as a Director on 1 August 2020. Mr Moore is an experienced company director who has held various executive and non-executive positions with LSE listed companies. With his background as a chartered accountant, he compliments the Company's financial governance and is a member of the Audit Committee of the Company as well as providing valuable support and guidance to the Company on corporate financing and strategic activities utilising his extensive networks across London and Africa in particular.

  The successful expansion and strengthening of the Company's Board fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Upscaling of Vatomina Project's capacity in response to market demand**

  In response to continued increased demand for its high-quality flake graphite from Madagascar, the Company took a strategic decision to upscale the capacity of the first module at its Vatomina Project by 50% to 9,000 tpa, which would result in an increase to near-term cash flows from operations.

Tirupati's modular development approach, coupled with its internal expertise, provided the Company with flexibility to respond to evolving graphite market conditions. The modular approach contributed to the Company's strategic decision to increase the capacity of Vatomina's first module, which was already at an advanced development stage, from 6,000 tpa to 9,000 tpa, representing a 50% increase in installed production capacity and would be done at an estimated 30% increase in CAPEX. The increased capacity is expected to boost near-term cash flow generation from Vatomina, enabling the Company to capitalise on rising demand and prices for its Madagascan primary flake graphite.

The additional installed capacity at Vatomina directly contributes to an increase in the overall production capacity from the Company's Madagascan primary flake graphite projects under its modular medium-term development plan ('MTDP') from the originally planned 81,000tpa to 84,000tpa by 2024.

The strategic decision to increase the capacity of Vatomina's first module fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Stage II Exploration and Drilling Programmes at Vatomina and Sahamamy Projects**

In February 2021, the Company announced the commencement of its Stage II exploration and drilling programme ("Stage II Programme") across its primary flake graphite projects in Madagascar. It appointed SRK Mining Services (India) Private Limited ("SRK"), a consulting practice of international mining consultants SRK Consulting, to oversee the Stage II Programme and update and upgrade its current Mineral Resource Statement ("MRS") for the Vatomina and Sahamamy Projects in Madagascar under the current Competent Person's Report, which was contained in the Company's listing prospectus.

The Stage II Programme, which is anticipated to complete by end of 2021, will target enhancing the Company's global resource base by:

- increasing geological confidence in areas currently categorised as Indicated and Inferred Mineral Resources;
- establishing additional Mineral Resources in areas previously identified by SRK as Exploration Targets and open extensions; and
- Include:
  - c.10,000 metres of auger drilling;
  - c.1,000 metres of trenching; and
  - c.5,000 metres of diamond core drilling.

Investing in the Stage II Programme to update and upgrade its MRS fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Key appointments to strengthen and support rapid growth of the Company across all divisions**

Despite its relatively short existence as a listed entity, the Company through its founders has an extensive history established from decades of experience in the graphite space. Over these years, key relationships were forged by the founders with industry leaders and top-end specialists in their respective fields around the world. Following the Company's listing, in order to strengthen and support its rapid growth plans the Company was able to up tier and formalise its relationships by making a number of strategic appointments across all of its business divisions which notably included:

1) Dr Matthieu Gresil (Ph.D), a leading researcher and renowned expert on polymers and composites, as adviser and consultant to the Company for market research and development of graphene products.
2) Dr S. K. Biswal (Ph.D), an eminent scientist and technocrat specialising in the fields of graphene and mineral processing technology, as head of the TGMRC.

3) Dr S. K Sathpathy (Ph.D), a former Executive Director of National Aluminium Company Ltd. ("NALCO")[1], as an advisor to the Company, focussed on application of graphene in aluminium manufacturing smelters and graphene aluminium composites development.
4) Dr P. Dash (Ph.D), who is also focused on graphene engineering science and was awarded a PhD under the guidance of Dr S. K. Biswal.
5) Over 30 engineers, geologists, technologists, and specially trained technicians across all three business units.

Continuing to invest in its human capital in line with is business development fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Placing with institutional and other investors to raise £10m to fast-track development**

The global pandemic had a devastating impact on the lives and livelihoods of everyone around the world and changed the way people live, travel and do business with each other which has set what is often referred to as the 'new norm' in our societies.

Governments and policy makers are now focussing on recovering their nations from the impacts of the pandemic and almost every major economy and trading block are seizing on the opportunity to go greener, becoming more digital, more electric, building more social and economic resilient and overall reducing reliance on other nations and economies by shoring up their supply chains.

The pandemic recovery efforts of nations around the world have led to renewed focus on securing critical raw materials required to power the electric revolution and on sustainable supply chains as well as moves by governments and industries to reduce reliance on Chinese sources of supply particularly of critical raw materials.

Since listing, the Company made significant progress across all three business divisions under its MTDP. Demand for its graphite products continued to rise across each of its three divisions and as a result of the increased demand for flake graphite on the back of EV and flame retardant applications, the Company decided on expediting the development of its next modules by initiating a placing with institutional and other investors (the 'Placing') at a price of £0.90 per share (the 'Placing Price') to raise gross amount of £10 million.

The net proceeds of the Placing which was oversubscribed and closed in April 2020, was primarily used to expedite the Company's MTDP to take advantage of the strong market demand for its products and to:

- Accelerate development of the next 18,000 tpa module at the Sahamamy primary flake graphite project in Madagascar ('Sahamamy') which has all requisite approvals in place. Total capacity across both Madagascan projects is anticipated to be 30,000 tpa by Q1 2022, a ten-fold increase since the Company's admission to the Official List in December 2020.
- Redevelop hydro power facilities at Sahamamy to meet the power requirements of current operations through renewable energy and carry out a feasibility study for c.900-kilowatt of additional hydro power facilities to meet most of the power requirements for the anticipated 30,000 tpa capacity.
- Increase capacity of the Company's downstream specialty graphite projects through TSG from 1,200 tpa to 16,200 tpa by H1 2022 with the setup of an integrated, multi-product 15,000 tpa Speciality Graphite Project with throughput and product capabilities consisting of:
    - 3,000 tpa expandable/intercalated graphite products;
    - 3,000 tpa spherical graphite for L-ion batteries;
    - 3,000 tpa micronized graphite for high-tech specialty applications including lubrication, polymers, and composites; and

[1] NALCO, is a government company having integrated and diversified operations in mining, metal and power under the ownership of Ministry of Mines, Government of India. It is one of the largest integrated Bauxite-Alumina-Aluminium-Power Complex in the country encompassing bauxite mining, alumina refining, aluminium smelting and casting, power generation, rail and port operations.

  - 6,000 tpa high purity flake graphite for graphene and other high purity graphite applications.
- Enable fast-track installation of industrial scale graphene manufacturing capabilities at the Graphene & Technology Centre to capitalise on near-term commercialisation opportunities; and
- For general working capital purposes.

Identifying and seizing on opportunities to expedite its project developments in line with market conditions fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

- **Development of Ground-Breaking Graphene-Aluminium Composite**

In May 2021, the Company announced the development of a ground-breaking graphene-aluminium composite ('Al-Gr Composite' or 'the Composite'), which retains aluminium's key properties including its lightweight, whilst adding properties from graphene including increased thermal conductivity, electrical conductivity, and improved mechanical properties; the properties that generally make copper a preferred material in electrical and thermal conductivity-based applications. Notably, the Al-Gr Composite has shown superior thermal conductivity and >95% of copper's electrical conductivity to date, which the Company anticipates can be increased with further optimisation of the material.

The Al-Gr Composite developed by TGMRC, with its high conductivity properties and improved mechanical strength, has strong potential to substitute or displace the use of copper across various high-tech, weight sensitive, electrical and thermal conductivity applications, including in wires and cables in motors for electric vehicles, aerospace, space and satellite technologies, and in heat exchangers, heat sinks and similar thermal conductivity applications such as solar water heaters.

Importantly, the proprietary manufacturing process which has been developed by Tirupati is commercially scalable, tested and has already been used to manufacture batches of over two hundred grams of the pioneering Al-Gr Composite. The table below depicts the best achieved results obtained during the optimisation phase as measured by TGMRC:

PROPERTIES/MATERIAL CHARACTERISTICS ASSESSED	COPPER	ALUMINIUM	TG AL-GR COMPOSITE
Thermal Conductivity (W/mK)	402	205	>100% of copper
Electrical Conductivity (106 S/m)	59.6	36.9	>90% of copper
Density (g/cm3)	8.96	2.7	2.79
Micro-Hardness (VHN)	100 ± 10	45 ± 5	150 ± 10
Scalability of Process	Yes	Yes	Yes
Chemical Composition	Cu	Al	Negligible Aluminium Carbide & Oxidation

Significant achievements and material properties of the Al-Gr Composite are as follows:

- Micro-hardness increased >300% over aluminium, which is 50% higher than copper
- Thermal conductivity increased to >200% over aluminium, which is better than copper values
- Electrical conductivity increased to >150% over aluminium, which is >95% that of copper; the Company aims to increase this with further optimisation
- The composite is almost free from oxidation and carbide forms of aluminium, a critical achievement breaking the key technological barrier in development of the Composite

Continuing to invest in its R&D and making technological achievements such as the Al-Gr Composite fulfils the Directors obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

The Directors believe these, and other key strategic decisions taken will generate value for our shareholders in the long term through maximising the Company's future profitability while continuing to de-risk its strategic development plans. In executing the Company's strategy, the Directors remain focused on responsible and ethical business practices, and the Company strives to be a responsible corporate citizen in all its territories of operation. This includes strict adherence to the laws of the land, employing environmentally friendly and sustainable practices, proactively engaging with the local communities, and continuing to maintain good governance practices and procedures across all its business divisions.

In doing the above, the Directors believe they are fulfilling their obligations under Section 172 (1) of the Companies Act to promote the success of the Company for the benefit of the Company's members.

Outlook towards Shareholders

The Board places equal importance on all shareholders and strives for transparent and effective external communications, within the regulatory confines of public UK registered and listed companies. In its listing prospectus the Company provided extensive information about its business development and since being listed, the Company has proactively provided shareholders with information on the Company's developments and progress. Additionally, periodical communications with project updates and reporting material developments and operational achievements by direct email communications as well as via the Company's website continue to be provided to shareholders and markets in general. To assist with external communications, the Company has engaged with a reputable UK Investor Relations firm as well as a group who are specialists in managing corporate social media accounts to engage with the public on behalf of the Company.

The Board further believes that collectively and every member on the Board individually is responsible to every shareholder of the Company and does not accord any of its members representing any group or section of its shareholders. It strives to take every decision in protecting the interests of the Company and its shareholders while balancing the interests of its employees and the community it works in.

Outlook towards its Employees

The Board believes that the Company's human capital is the primary asset of the Company and is critical to the success of the Company. It is recognised that in the early stages of the Company which have been challenging, its executive management team has demonstrated its dedication to the Company's success and within the limitations the Company has had, delivered results in creating the foundations for the success of the Company such that are unparalleled in the area of business of the Company. The Board believes that its human capital is the source of it having been an outperformer and shall continue to be so and deserve to be rewarded commensurate with the Company's success.

Developing relationships with the community and other stakeholders

The Company has continuously engaged with the communities around it with the policy of improving the quality of life of the communities it works in. In implementation, a dedicated program for community development "Shakuntalam" has been designed and the activities conducted there under are described in the Sustainability Report.

The Company continuously engaged with other stakeholders including but not limited to prospective customers, suppliers, and service providers in implementation of its business plan developing long term relationships on a win – win basis. The Company will continue to engage for the purpose.

Conclusion

The Directors believe that to the best of their wisdom and abilities, they have acted in the way they consider prudent to promote the success of the Company for the benefit of its members as a whole, in the true spirit of the provisions of Section 172 (1) of the Companies Act 2006.

Principal risks and uncertainties

The Company management is conscious of the risk factors that can affect the Company's performance and are aware that they must always be alert and be proactive in dealing with the same. They carry out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

The Group has exposure to the following risks from its use of financial instruments, which are presented in note 22 to the financial statements:

- Capital risk management
- Market risk
- Credit risk
- Liquidity risk
- Currency risk

The Company understands that the risk management framework must revolve around some core factors so that the material business risks throughout the Group can be identified, assessed, and effectively managed. These factors cover the following elements:

Identify Risk mapping and listing is conducted on a periodic basis to identify emerging issues.

Assess The likelihood of risk occurrence is determined by evaluating their potential impact.

Mitigate Appropriate measures and actions are put in place to ensure control.

Monitor Efficiency and effectiveness of the measures and actions are periodically monitored for better control.

Principal risks and uncertainties to the Group

The following table, whilst not an exhaustive list as other risks may arise or existing risks may materially increase in the future, sets out the risks and uncertainties to the continuing Group.

Issue	Risk/Uncertainty	Mitigation
Financial Strategy	The Company's first phase of project development and implementation has been dependent on the capital raise from investors and any delay in funding arrangements may delay the project development and implementation. Investor support may be negatively impacted if there are delays in achieving its strategy's intended goals.	The first phase of the Company's projects are operational and generating operational cash flows with the first unit of Vatomina coming on stream from 3Q 2021. The Company completed its IPO in December 2020 and with its listing it secured its ongoing access to extended capital markets. The proceeds of the Placing provided the Company with the capital required to complete the first phase of its development plans which will bring it to 30,000tpa of primary capacity in Madagascar, 16,200tpa of specialty graphite capacity and commercial scale production of graphene which provides a solid base for the follow-on development under its MTDP. Setting an example by demonstrating higher achievements than projected.
Competition risk	There can be potential threats from innovative market players with competitive products, making them equally or more beneficial and qualitative than the Group's current products. These competitive market players may bring new age technology leading to their advantage.	R&D continues to be a core pillar of the Company's investments and focus which continuously enhances our innovative process to ensure higher quality products and a consistent competitive edge is maintained by the Company over its competitors. The management has a long and deep heritage in the field and are well connected with the end users (consumers) and the intermediary

		suppliers into the primary and specialised graphite industry.
Company's Management Performance and Efficiency	During the phases where the Company is expected by the Board to experience rapid growth, it is essential to effectively manage such growth. While the Board is fully equipped to implement the Company's strategy, mismanagement of project operations at any level could lead the business to suffer, which may impact the Company's performance and profitability. The responsibility to manage multiple projects across different jurisdictions at the same pace while ensuring quality and sustainability sits with the Board and the Company's management team. Continuous growth in sales and profits largely depends on the Company's management team's ability to expand its operations and manage the procedures, financial controls, and information systems effectively.	Ongoing development of the management team as we progress is a part of the Company's activities and is thus dynamic. In fact, we have established that the Company's management team has the ability to deliver on all fronts and see this as a strength for the Company.
Attraction and retention of key employees	It is essential for the Group to maintain the continued service and performance received from the key officers and employees. Even though arrangements with the respective employees are in place to secure their services, retention of these services cannot be guaranteed. The loss of the services of any of the key officers or employees could delay the Group's operations. Further, the ability to attract and hire new sufficiently skilled employees cannot be guaranteed.	The Group is actively involved in human resource management. The process includes policy framing of appropriate incentives and appreciation methodology, which ensures that people with key skill sets are retained. Creation of systems to mitigate individual influence, continued talent hunt and alternative key human resource development and training are ongoing activities.
Brand, reputation, and trust	The Company's brand will suffer if it loses trust and transparency in its business. If it cannot be firm in the face of ethical, legal, moral or operational challenges, its reputation may be damaged.	The Group's processes and policies set out how it can make the right decisions for its customers, colleagues, suppliers, communities, and investors. It has developed communication and engagement programmes to listen to its internal and external stakeholders and reflect their needs in its plans. The Company maximises the value and impact of its brand with the advice of specialist external agencies and in-house expertise. As its business grows and develops, it will remain strongly focused on protecting the strength of its Group's reputation through leadership and cultivating open relationships with all stakeholders.

Data security and privacy	With increasing risks of cyber-attacks threatening data security, the Company must ensure that it understands the types of data that it holds and secure it adequately to manage the risk of data breaches.	The Company has active monitoring processes to identify and resolve IT security breaches, and to investigate and mitigate any possible threats. A platform with a high-end security system is under development.
Performance	If the Company's strategy is not effectively communicated or implemented, its business may underperform against its planned objectives.	The Company's Board, executive management and operational units meet regularly to review performance risks. An ongoing communication process informs its colleagues about the long-term strategy and ensures that they understand their part in it. The Company is also implementing a customised ERP system to further instruct, monitor and analyse performances. There are clear guidelines, detailed timelines and policies set out to ensure that there is an appropriate focus on balance between short term and longer-term delivery.
Operational Risks	The current operations of the Company generally include exploration mining, processing, and production, any of which may be impacted by factors which are outside of the Company's control.	The Company has adopted a modular development strategy to mitigate the risks on various operations and financial fronts. With the first plant commissioned and selling, various risks like technology, operational, mining, financial – cash flow and revenue etc are appropriately addressed with stringent review on the investment made in early stages.
Volatility of Commodity and Equity Prices	The Prices and demand for the Group's products may remain volatile/ uncertain and could be influenced by global economic conditions. Volatility in commodity prices and demand may adversely affect our earnings, cash flow and reserves.	As the Group is very well diversified in its upstream and downstream projects, the management can mitigate this risk by pursuing low-cost production, allowing profitable supply throughout the commodity price cycle, and balancing the price volatility/uncertainty.
Geopolitical, Regulatory and Sovereign Risk	The primary flake graphite Projects are located in Madagascar and downstream and technology Projects in India and are therefore subject to the risks associated with operating in a foreign jurisdiction.	Madagascar has a mining code providing tenure of 40 years and is renewable – with no history of any disruptions to operations by any previous governments and is well connected to the international community. As a mitigation, the Company further may consider adding primary activity at one more location. India is the fastest growing major economy and is investment seeking and friendly. Additionally, the Company monitors political development and will seek to mitigate emerging risks wherever possible. The Group and its business divisions monitor regulatory

		developments on an ongoing basis.
Technology	If the Company does not invest enough or efficiently or invest in the wrong areas, it may not be able to deliver its customer proposition which could impact its competitiveness. As it develops new technologies, the Company must maintain the controls over existing platforms, or it may impact systems availability and security.	There is a clear programme of investment to maintain the integrity and efficiency of its technology innovation infrastructure and its security. The Company is heavily inclined towards technology and innovation and work rigorously on continued improvements.
Environmental and Health and Safety Risk	The Graphite Projects, including ore mining and production plants, are expected to have an impact on the environment, particularly in cases of advanced exploration or mine development proceeds, production sites and plants. Its activities are or will be subject to in-country national and local laws and regulations regarding environmental hazards.	The Company has obtained Environment clearance for the first phase for both projects in terms of the regulations in place. Further extensions will be applied for and obtained prior to start of construction of the next phases. The Company has also developed and adopted environment friendly technologies to minimise impact and will continue to strive to take steps for improving the environment and mitigating damage if any.

Corporate and social responsibility

The Group believes in extensive stakeholder engagement and remains committed to our corporate and social responsibility projects. Details of activities performed by the group are contained in the Sustainability Report.

Greenhouse Gas Emissions

Greenhouse gas emissions, energy consumption and energy efficiency disclosures have not been provided in the Annual Report because the Company has consumed less than 40,000 kWh of energy during the period.

However, historically the Company has voluntarily provided commentary on its CSR and environmental initiatives and in the previous year's annual report, it released its first Sustainability Report which gave an insight into some of the activities and initiatives undertaken by the Company.

For this year, the Company will be publishing its second Sustainability Report as a standalone report which shall be formulated against the Global Reporting Initiative (GRI) Index, one of leading industry benchmarks which has been adopted by the Company.

The Sustainability Report will provide deeper insights on the various mechanisms and steps taken by the Company to improve the lives of people in some of the most deprived regions and its workplaces, reduce environmental impacts and to have environment friendly operations across the various legs of its business. The Sustainability Report will also highlight the goals and targets set by the Company for the longer-term and the green technologies developed by the Company. Shortly following the publication of our Annual Report each year, we intend to publish the Company's annual Sustainability Report.

Ratio of men to women

The Board is satisfied that it has the appropriate balance of skills, experience, and expertise necessary, and will give due regard to diversity in the event of further changes to both its own membership and/or the membership of the senior management team.

Going concern basis

The Group's business activities, together with the factors likely to affect its future development, performance and position are discussed throughout the report. The financial position of the Group, its cash flows, liquidity position etc., are also discussed above. The report additionally also includes the Group's objectives, policies and processes to address risks arising from the Group's use of financial instruments, in particular its exposure to market, credit and liquidity risks.

The Group has considerable financial resources together with well-established relationships with many clients and suppliers across different geographic areas. Consequently, the Board believes that the Group is well placed to manage its business risks successfully.

After making enquiries and following a review of its profit and cash flow forecasts, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Board continues to adopt the going concern basis in preparing these financial statements.

This report was approved by the Board of Directors on 17 September 2021 and signed on its behalf by

Mr Shishir Poddar
Executive Chairman and Managing Director

Directors' Report

The Directors present their Annual Report on the affairs of the Group, together with the Financial Statements and Auditor's Report, for the year ended 31 March 2021.

The Directors' Report forms part of this Report.

Incorporation & admission to trading

The Company was incorporated in England and Wales on 26 April 2017 as a public Company and received admission of its ordinary shares for trading by the FCA on the main board of the LSE under the standard segment with effect from 14 December 2020.

Results and dividends

During the year, the Company and the Group progressed development of its corporate and business affairs which is detailed in the Business Review section of this report. The audited financial statements for the year for Company and the Group are set out from page 60 onwards. The key results from the activities of the Company can be summarised below:

- The operations of its Sahamamy 3,000 tpa project which was set up as a 'proof of concept' continued throughout the year and yielded a gross profit of £635,342 representing a gross margin on Sales of 57%
- The Group EBITDA was £(896,239) and Net loss of £(684,872) for the year
- Construction for the uprated 9,000 tpa Vatomina first plant continued to progress and by the time of writing of this report, sellable production commenced, increasing the capacity in Madagascar operations from 3,000 to 12,000 tpa.

No dividends will be distributed for the period ended 31 March 2021.

Financial instruments

In consultation with its financial and legal advisors, the Company approved a Warrant Instrument dated 15 July 2020 as a standard instrument for incentives primarily to its management team and service providers. Warrant certificates issued under the instrument, also covering previously approved incentives to the Board and Management were disclosed in the listing prospectus dated 14 December 2020 approved by the FCA. Further information about the use of financial instruments is detailed in note 22 to the financial statements.

Future developments

A commentary on the Group's future prospects and a description of principal risks and uncertainties are set out in the Business Review and Strategic Report sections.

Share capital

Details of the authorised and issued share capital, together with details of the movements in the Company's issued share capital during the year are shown in note 20.

As on the date of this report, the Company has issued 86,207,767 class of ordinary shares. Each share carries the right to vote at general meetings of the Company, dividends, and capital distribution (including on winding up) rights but do not confer any rights of redemption.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

Memorandum and Articles of Association

The Company's Articles of Association (the Articles) give the Board the power to appoint Directors but require Directors to retire and submit themselves for election at the first AGM following their appointment.

The Board of Directors may exercise all the powers of the Company subject to the provisions of relevant statutes, the Company's Memorandum of Association and the Articles. The Articles, for instance, contain specific provisions and restrictions regarding the Company's power to borrow money. Powers relating to the issuing and buying back of shares are also included in the Articles and such authorities shall be renewed by shareholders each year at the AGM.

Liability of members limited

The Company is registered as a public limited company and members liability is limited to the extent of their respective subscription to shares.

Issue of shares

Subject to the provisions of company law and the pre-emption rights described below, the Directors are generally authorised to allot or otherwise dispose of shares in the Company as they think fit (including the grant of options over and warrants in respect of shares).

The Company shall not allot any shares unless they are first offered to members (on the same or more favourable terms as the proposed allotment) in proportion to their existing shareholdings. Such an offer must state a period of not less than 21 days during which it may be accepted. These pre-emption rights shall not apply where shares are paid otherwise than in cash or if they are allotted or issued pursuant to an employee share scheme. Notwithstanding these pre-emption rights, the Directors may be given by special resolution (passed by a majority of not less than two-thirds of the members who vote at a general meeting) the power to allot shares either generally or specifically so that the pre-emption provisions do not apply or apply with such modifications as the Directors may determine.

Accordingly, the Directors are authorised by the Company's shareholders by way of special resolution dated 23 December 2020 to allot shares of Nominal Value of £0.025 each to the extent of aggregate Nominal Value of £373,732.

Directors and directors' interests

The Board is responsible for the Company's objectives and business strategy and its overall supervision. Acquisition, divestment, and other strategic decisions will all be considered and determined by the Board including, when circumstances permit, whether the payment of dividends, issue or buy back of shares is appropriate. The Directors, who served throughout the year except as noted, were as follows:

Director	**Position**	**Appointment/resignation date**
Mr Shishir Kumar Poddar	Executive Chairman and Managing Director	**26 April 2017**
Mr Christian G St. John-Dennis	Non-Executive Director	**26 April 2017**
Mr Hemant Kumar Poddar	Non-Executive Director	**26 April 2017**
Mr Rajesh Kedia	Non-Executive Director	**31 May 2018**
Mr Lincoln John Moore*	Non-Executive Director	**1 August 2020**

Biographical details of the Directors are available on the Company's website:

https://tirupatigraphite.co.uk/management/

The Board will provide leadership within a framework of appropriate and effective controls. The Board will set up, operate and monitor the corporate governance values of the Company, and will have overall responsibility for setting the Company's strategic aims, defining the business objective, managing the financial and operational resources of the Company and reviewing the performance of the officers and management of the Company's business.

All Directors are subject to re-election/re-appointment every three years on appointment, at the first AGM after appointment.

Further details on the functions of the Board can be found in the Corporate Governance Report section of this report.

The direct interests of the Directors in the shares of the Company as of 31 March 2021 are as follows:

Director	Number of ordinary shares	Number of Share Warrants
Mr Shishir Kumar Poddar	1,789,250	2,400,000
Mr Christian G St. John-Dennis	1,248,099	680,000
Mr Hemant Kumar Poddar	1,248,099	680,000
Mr Rajesh Kedia	419,116	380,000
Mr Lincoln John Moore	22,222	0

Directors' Remuneration

This section constitutes a remuneration report which forms part of the Directors' Report which sets out the Group's principles and policies on the remuneration of Executive and Non-Executive Directors, together with details of Directors' remuneration packages for the financial year ended 31 March 2021, and key points from the service contracts of the Directors. The Remuneration Committee is responsible for fixation of the remuneration of the of Directors on the Board of the Company. The Remuneration Committee was first formed in 2017 (year of incorporation of the Company) and is responsible for fixation of the remuneration of the of Directors on the Board of the Company. Further details on the Remuneration Committee is contained in the Corporate Governance Report.

Annual Statement

The Remuneration Committee recognises that the year is expected to be eventful in the development of the Company with extensive evolution of strategies, businesses, and developments, requiring devotion of time and efforts from the Board and Executive Management taking into consideration time zone variances across its locations and that such efforts deserve recognition and for individuals to be fairly rewarded for contributions to the Company's performance.

Guiding Principles for fixation of Directors Renumeration and Benefits

The principles and policies guiding the for fixation of remuneration and benefits for the Directors include:

- align renumeration with the stage of development of the Company and its growth and performance;
- recognising experience and expertise for development of its strategies and business and cost savings resultant thereupon;
- aim to reward fairly according to the nature of role and performance;
- correlate with remuneration packages offered by comparable companies; and
- the need to align the interests of shareholders as a whole with the long-term growth of the Group.

Elements for Directors Remuneration and Benefits

Element	Purpose	Operation
Base Salary	Available to Executive Directors only	Fixed on an annual basis, paid monthly in arrears or quarterly mid time.
Directors Fees	Available to all sitting Directors	Fixed on an annual basis, paid monthly in arrears
Bonus	Available to Executive Directors only	Applicable for Executive Directors only, capped to 100% of annual salary based on growth and progress of the Company and contribution by the Director.

		The Bonus shall be considered annually in any year for the performance parameters of the Company in the previous year.
Pension	Available to Executive Directors only	Non-UK tax residents shall be provided with payment in lieu of Pension where applicable.
Share Warrants	Available to Executive Directors based on performance. Available to Non-Executive Directors as special incentive.	Performance based on growth and value creation. Share Warrants shall be considered in any year based on performance parameters of the Company in the previous year.

Statement of Implementation

Directors' Remuneration (audited)

Details of Directors' Remuneration during the year ended 31 March 2021 is as follows:

	Salary and fees	Pension	Bonus	Share based payments	2021 Total
	£	£	£	£	£
Mr Shishir Kumar Poddar	**240,000**	**24,000**	**198,000**	**20,507**	**482,507**
Mr Christian G St. John-Dennis	**38,000**	**-**	**-**	**5,470**	**43,470**
Mr Hemant Kumar Poddar	**38,000**	**-**	**-**	**5,470**	**43,470**
Mr Rajesh Kedia	**38,000**	**-**	**-**	**5,402**	**43,402**
Mr Lincoln John Moore	**24,000**	**-**	**-**	**-**	**24,000**
TOTAL	**378,000**	**24,000**	**198,000**	**36,849**	**612,849**

	Salary and fees	Pension	Bonus	Share based payments	2020 Total
	£	£	£	£	£
Mr Shishir Kumar Poddar	**180,000**	**-**	**-**	**-**	**180,000**
Mr Christian G St. John-Dennis	**48,000**	**-**	**-**	**-**	**48,000**
Mr Hemant Kumar Poddar	**48,000**	**-**	**-**	**-**	**48,000**
Mr Rajesh Kedia	**48,000**	**-**	**-**	**-**	**48,000**
TOTAL	**324,000**	**-**	**-**	**-**	**324,000**

Further information about the Share based payments are detailed in note 3 to the financial statements.

Total pension entitlements (audited)

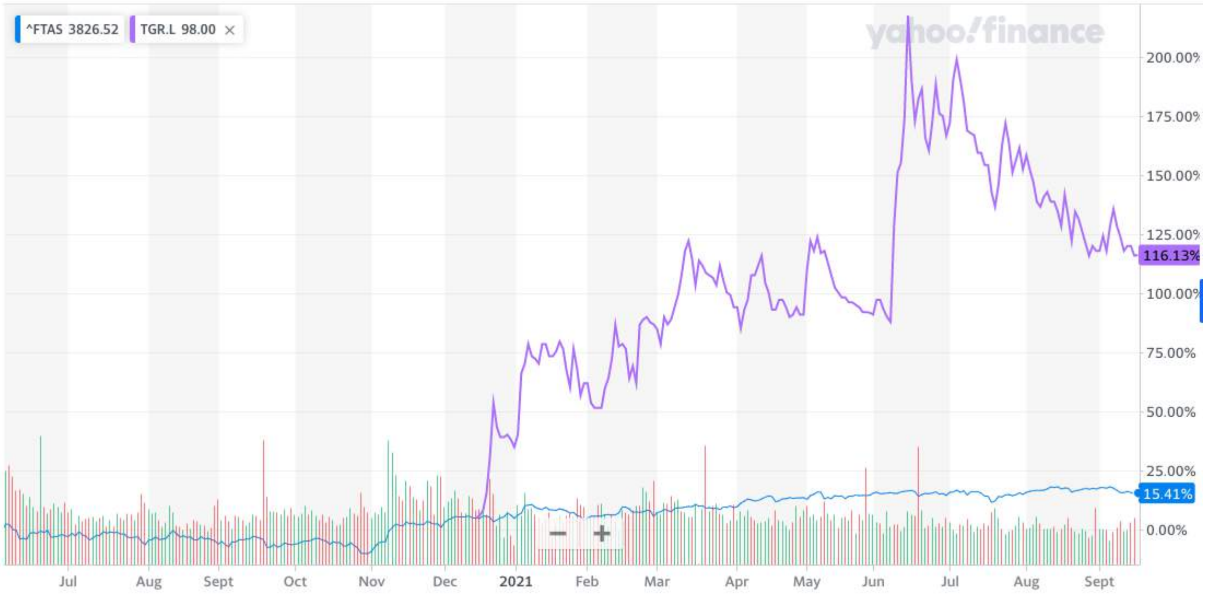
The Company does currently not have any pension plans for any Executive Director as currently the only Executive Director is a non-UK tax resident and as such, receives payment in lieu of Pension in relation to their remuneration.

Payments to past directors (audited)

The Company has not paid any compensation to past Directors.

Performance Graph

The following graph compares the total shareholder return of an ordinary share in Tirupati Graphite plc against the total shareholder return of the FTSE All-share index for the period between 1 January 2021 and the date of this report (YTD).



Data source: *uk.finance.yahoo.com*

The Company listed in December 2020 under the ticker TGR.L at an IPO price of 45 pence per ordinary. Since listing, TGR's share price peaked at 160 pence, an increase of 400%. As at the date of this report, TGR shares are trading at around 104 pence, 230% above the IPO price.

Between 1 January 2021 until the date of this report (YTD), total shareholder return of an ordinary share in TGR plc was 116%. Over the same period between the total shareholder return of the FTSE All-share index was 15%.

Consideration of employment conditions elsewhere in the Group

The committee has not consulted with employees about executive pay but considers that the current remuneration of Executive Directors is appropriate and commensurate with pay and employment benefits across the wider Group.

Substantial shareholdings

As at 17 September 2021, other than the Directors' holdings, the Company has been advised of the following interests in 3% or more of its issued share capital:

Shareholder	Number of Ordinary Shares	Percentage of issued share capital
Tirupati Carbons and Chemicals Pvt Limited	29,565,778	34.30
Nicolas Petitjean	4,315,300	5.01
Premier Miton Group plc	4,301,947	4.99
Optiva Securities Ltd	3,982,315	4.62

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with International Financial

Reporting Standards (IFRSs) as adopted by the European Union, and have also chosen to prepare the parent company financial statements under IFRS as adopted by the European Union. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the Annual Report

We confirm that to the best of our knowledge:

1) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
2) the Directors' Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

As at year end 31 March 2021, Tirupati Graphite Plc was a listed company on the standard segment of the main board of the London Stock Exchange and is not mandated to comply with the requirements of the 2018 U.K. Corporate Governance Code ("the Code") as issued by the Financial Reporting Council or any other code. However, the Company recognises the value of good governance practices and has voluntarily adopted the QCA Code so far is practicable given the Company's size and nature. The Corporate Governance section provides an extensive overview of the application of the code by the Company, given the Company's size and nature.

Charitable and political donations

The Company did not make any political or charitable donations during the financial period. In line with its sustainability initiatives, the Company engaged in various activities under its community development programme in and around the areas of its projects. The Sustainability Report section provides detailed insight on the activities conducted by the Company and the Company considers this as community investment leading to the ability of development of its projects with community support and as its obligation towards improving the quality of life of the people in the communities around it.

Health and safety

The Group is committed to providing a safe place of work for employees. Group policies are reviewed on a regular basis to ensure that policies regarding training, risk assessment, safe working and accident management are appropriate. There are designated officers responsible for health and safety and issues are reported at appropriate board or executive team meetings.

The year under reporting was an extraordinary one in terms of the concerns on health caused by the pandemic and the Company is happy to report that it implemented appropriate testing protocols for its employees and other health and safety measures across all its locations and that there were no incidences of spread of the coronavirus reported at any of its locations. The Company further supported the local health infrastructure by providing temperature and oxygen level measuring equipment and sourcing oxygen generators from global supply chains which was sent to the project area to be used as standby equipment during the height of the second wave which saw a global crisis in sourcing and securing medical oxygen equipment.

Statement of disclosure to independent auditors

Each of the persons who is a Director of the Company at the date of approval of the Annual Report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- The Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

Independent auditor

A resolution to re-appoint PKF Littlejohn as Auditor of the Company will be proposed at the AGM.

Resolutions proposed at the Annual General Meeting

The Directors consider that all the resolutions to be put forward at the Annual General Meeting ("AGM") are in the best interests of the Company and its shareholders. The Board will be voting in favour of them and unanimously recommends that shareholders do also.

This report was approved by the Board of Directors on 17 September 2021 and signed on its behalf by

Mr Shishir Poddar
Executive Chairman and Managing Director

Corporate Governance Report

The Directors present their Annual Report on the affairs of the Group, together with the Financial Statements and Auditor's Report, for the year ended 31 March 2021.

The Corporate Governance Report forms part of this report.

Chairman's Statement on Corporate Governance

Alongside Environment and Sustainability, Corporate Governance holds a vital role in the evolution of corporate entities. We have voluntarily decided to adapt the Quoted Companies Alliance Corporate Governance Code ("QCA Code") as the guiding principle for Corporate Governance so far is practicable given the Company's size and nature. We Tirupati Graphite Plc ("TG") are a Company in a specialist and niche area and derive much of our strengths from the extensive expertise and experience of the principal founder and Executive Chairman, who is the visionary, architect, strategist, and leader for much of the strengths we have gained bestowing in us the many successes since incorporation. Alongside him, the leadership team that drives the Company, including its Board and Management, emanate from decades of co-working and relationship building inherited by us, and are bestowed in TG with dedication to achieve its goals. Recognising this core strength of the Company, we shall adopt the core commandments and related principles of the QCA Code, as far as practicable, with documented variances.

Earning Trust, while building the business of the Company on its corporate journey, shall remain our core ethic and every member of the Company's Board and Management, shall remain dedicated to this core ethic. Our endeavours to earning trust shall span across our ecosystem and, though not limited to, includes:

- earning trust of our shareholders by effectively communicating with them;
- earning trust of regulators by remaining compliant and demonstrating an ethical corporate culture;
- earning trust of the communities by improving the quality of their lives;
- earning trust of our human capital by providing opportunities to deliver, proactively meeting their reasonable expectations, and rewarding performance and recognisable services to the Company.

We shall evolve our business by developing sound strategies, prudent business plans and striving to execute them to achieve value creation for our shareholders, the communities where we operate, our human capital and other stakeholders thus, delivering growth of the Company and all those that are associated with it.

To achieve the objectives of earning trust and delivering growth, we shall maintain a dynamic management framework guided by the principles of good governance under the QCA Code and evolve our team to meet the principles of:

- 'teamwork works' at all levels of the corporate and business unit management;
- promoting entrepreneurship, acquire and develop skill sets required for achieving the Company's business objectives;
- evaluating performance of the Board, its members and the executive management;
- evolving and promoting a culture of understanding, responsibility and ethical working; and
- maintaining a management structure that supports prompt and effective decision making with effective communication and coordination.

In line with the principles set above and derived from the QCA Code, it is applied across the Company's management and guides our decision-making processes. A commentary of the application of the ten principles of the QCA Code is appended below.

Principle One: Establish a strategy and business model which promotes long-term value for shareholders

The Company is engaged in developing an integrated flake graphite and graphene and advanced materials business. Towards this business purpose the Company has evolved a well-documented medium term development plan which encompasses the strategies adopted by the Company that is carefully crafted to align with the market dynamics of the materials it is engaged in working on. The plan has undergone rigorous and extensive analysis within the lead management team and the Board and is supported by appropriate independent market assessments which are conducted on an ongoing basis by subscription to independent market research and extensive internal market analytics. Additionally, the Company has evolved its strategy for diversification of its resource base to further strengthen its basket of flake graphite resources, mitigate against risks of relying on one source and jurisdiction for its base resource supply, and prepare itself with increased resources for future opportunities. One of the agenda items at all board meetings, except those which are for specific corporate activities, is the review of business development and the Board is constantly engaged on the progress in the evolution of the plan.

Principle Two: Seek to understand and meet shareholder needs and expectations

Prior to its admission on the LSE, the Company actively interacted with its shareholders both individually and in groups and continued to coordinate with its sole brokers for both dissipation of information and receiving feedback from its shareholders. The prospectus dated 14 December 2020 provided extensive information about the Company's resources for development of its business, the plans under which the Company intended to develop its business, its performance from existing operations, the risks associated and measures for mitigating them. Post its admission the Company has constantly informed shareholders of its progress through RNS, emails sent to shareholders and prospective investors through its brokers and directly and extensively dissipated information on social media. The Company maintains a dedicated email id for any shareholders to connect to the Company and has a team of officials and advisors whom any shareholder may contact by telephone. The Executive Chairman and management team members have held both one to one meetings with major shareholders and group meetings through video conferencing providing information on the Company's activities through a presentation and answering every question received as far as practicable and permissible within the bounds of confidentiality. The Board members joined the management team members on such events including at the annual general meeting for first-hand interaction with shareholders. Thus, the Company has maintained a robust ecosystem for ongoing dialogue with its shareholders.

Principle Three: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company has adopted a win-win approach of earning trust and extensive support of all stakeholders in the growth and prosperity of the Company. It is focussed to develop extensive support of its customers and prospective customers by building sustainable relationships providing comfort of source diversity and adapting to the expectations, evolving its operations to meet them. It maintains extensive support earning priority and preferential cost from its suppliers of goods and services, developing long lasting relationships. It maintains deep engagement with its leadership team, to ensure their happiness and thus earning dedication to the services of the Company working extended hours by choice and with a sense of responsibility. The extensive engagement is visible in the outcomes of the business development in as much as the Company continues to receive repeated orders from its current buyer and support of the prospective buyers for its products and services, delivered stringent timelines in building its projects with support of its suppliers and dedicate efforts of its human capital in spite of limitations caused by the pandemic and continues to grow its business.

The Company formulated its community connect program "Shakuntalam" symbolising motherhood for its community engagement in Madagascar for its primary flake graphite projects and has extensively engaged with the local community understanding their needs and formulating programs for improving the quality of their lives. Extensive support has been provided by the Company for health, education, vocational training and skill development and infrastructure access, more fully described in its Sustainability Report, resulting in a community licence for development of its projects gaining support from the community. It also has extensively engaged with the local & regional Governments providing support for their basic needs, and extensively engaged with Governmental authorities providing extensive information on its activities and while remaining compliant, earning support for its development.

Principle Four: Embed effective risk management, considering both opportunities and threats, throughout the organization

While remaining conscious and identifying opportunities thus building its business remain an ongoing activity for the Board and management of the Company, the evaluation, mitigation and management of risks alo remain an ongoing activity in the Company's activities. The Board and management review and extensively engage for the purpose, and collectively work to mitigate any negative impacts of potential risks. An in-depth and extensive exercise of risk mapping was undertaken prior to the admission in the Prospectus document and under the leadership of the chair and in consultation with the Company's advisors, the Company continues to actively assess, mitigate and manage its potential risks. The potential acquisition of primary graphite projects in Mozambique to diversify and enhance its resource base and extensive management team development activities to expand its team are some of the visible actions by the Company since the publishing of its prospectus.

Principle Five: Maintain the Board as a well-functioning, balanced team led by the Chair

The Board of the Company is composed of five members led by the Executive Chairman with four Non-Executive Members. The balance of the members on the Board in relation to the concert party as recognised by the Takeover Panel is maintained with a majority of members being outside the concert party. With the three founding Directors continuing on the Board, the Company appointed its fourth Director in mid of 2018 and a fifth in August 2020. The Executive Chairman, being the mentor of the Company, continues to provide effective leadership to the Board shaping the Company and visible in its growth. The Company and its Board have severally recognised that the Executive Chairman has provided effective leadership to the Board and the Company as a whole, is the only member on the Board who meets all the criteria set for the role of the chair and his leadership is key to the success of the development of the Company's business. Hence any moderate variances from the guidance of the QCA code is considered appropriate for nature of the Company and its objectives.

The Board of the Company provides effective collective leadership to the Company and are constantly engaged in overlooking the development of the Company's business. The Board is scheduled to have a minimum of four formal meetings every year. During the year under reporting, seven meetings of the Board were held and appropriate decisions taken. Three Board committees have been established which include the Nomination, Audit and Remuneration committee with appropriate terms of reference and the committees hold at least one meeting annually to execute their respective area of business. Majority of members in the committees are Non-Executive members. A detailed note of the activities of the Board and its committees and identification of independent directors is provided in further below in this report.

Principle Six: Ensure that between them, the directors have the necessary up-to-date experience, skills and capabilities

The Board and the Nomination committee have evaluated the mix of experience and skill sets within the members of the Board and on the basis that:

- three members on the Board have previous executive and/or Non-Executive board position on listed company boards; and
- collectively, the board possesses decades of experience in the area of business of the Company; and
- two members on the board are qualified accountants; and
- collectively the members on the board have more than five decades of financial markets experience; and
- collectively the board possesses all the skill sets that it considers necessary for the conduct and evaluation of the Company's business.

As the Company is growing, the nomination committee and the board are conscious that it may need to review and take appropriate decisions in due course for expansion of the board.

Principle Seven: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Internal evaluation of the members of the Board, is undertaken on an ongoing basis by the Executive Chairman. to determine the effectiveness and performance as well as the Directors' continued independence. As a part of the appraisal the appropriateness and opportunity for continuing professional development whether formal or informal is assessed. The evaluation of performance of the Executive Chairman is undertaken on an ongoing basis by the Board collectively and recorded in the minutes where and as appropriate.

Principle Eight: Promote a corporate culture that is based on ethical values and behaviours

The Company has constantly evolved a corporate culture of prudence, ethical working and behaviour at all levels of management. The positive experience of the new Non-Executive Director who joined the Board in August 2020, has acknowledged the ethical working of the Company, which is a testiment to the Company's positive and constructive culture.

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Group's operations. These values are enshrined in the written policies and working practices adopted by all employees in the Group. An open culture is encouraged within the Group, with regular communications to the Group's workforce regarding progress and feedback regularly sought. The executive leadership team regularly monitors the Group's cultural environment and seeks to address any concerns that may arise, escalating these to Board level as necessary.

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility in this area. The Group's health and safety policies and procedures encompass all aspects of the Group's day-to-day operations.

Issues of bribery and corruption are taken seriously. The Company has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Company, its employees and those third parties to which the business engages with. The policy is provided to staff upon joining the business and training is provided to ensure that all employees within the business are aware of the importance of preventing bribery and corruption. Each employment contract specifies that the employee will comply with the policies.

The Group further participates with the local community for cultural integration across its regions of operation, participating in events like independence days and other cultural festivities building relations with its stakeholders and expressing respect for its communities.

There were no issues to note during the financial year 1 April 2020 to 31 March 2021.

Principle Nine: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board functions as a vibrant group, with no hesitation in exchange of thoughts, extensive analytics, and discussions in terms of the Company's evolved strategy and business development goals leading to further evolution of the Company's business and remains collectively responsible for achieving growth, earning trust and effective communications with shareholders. The Board committees' function in terms of their terms of reference. The relationship of the Company with the founders is governed under a relationship agreement providing sufficient leverage for independent assessment. The chair provides effective leadership to the board for the purpose and in terms of the extant principles set out in the memorandum of director's responsibility, the Chairman is considered to be independent and effective leader of the Board providing the required leadership for the growth and development of the Company's business.

Principle Ten: Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Continued and effective communication with the shareholders and stakeholders remains a high priority and aims to ensure that all communications concerning the Group's activities are clear, fair, and accurate. Full details of how the Company maintains a dialogue with shareholders and other stakeholders is set out in Principle 2 above.

Board objectives and operation

The key objectives of the Board are as follows:

- The agreement of Company strategies.
- The agreement of the detailed set of objectives and policies that facilitate the achievement of the Company's strategies.
- Monitoring the performance of executive management in the delivery of objectives and strategies.

- Monitoring and safeguarding the financial position of the Company and Group to ensure that objectives and strategies are delivered.
- Approval of major capital expenditure and other expenditure that is not part of the defined objectives or strategic plans of the Company.
- Approving corporate transactions.
- Delegating clear levels of authority to the executive management team. This is represented by the defined system of internal controls which is reviewed by the Audit Committee.
- Providing the appropriate framework of support and remuneration structures to encourage and enable executive management team members to deliver the objectives and strategies of the Company.
- Monitoring the risks being entered into by the Company and ensuring that all of these are properly evaluated.
- Approval of all external announcements.

A schedule is maintained of matters reserved to the Board for decision.

Meetings of the Board of Directors

The Directors meet regularly and are responsible for formulating, reviewing, and approving the Group's strategy, budgets, performance, major capital expenditure and corporate actions, both in formal Board meetings and otherwise to ensure development of the Company's business. All Directors have access to advice from independent professionals at the Company's expense. All Directors have access to the extensive database of the Quoted Companies Alliance of which the Company is a member. Training is available for new and existing Directors as necessary.

Seven Board meetings were held during the year. The Directors' attendance recorded during the year are as follows:

Director	Number of meetings attended	% of Attendance
Mr Shishir Kumar Poddar	7	100
Mr Christian G St. John-Dennis	7	100
Mr Hemant Kumar Poddar	7	100
Mr Rajesh Kedia	7	100
Mr Lincoln John Moore*	6	100

* Joined the Board after the first Board meeting for the year

In addition to the members on the Board, invitees to meetings of the Board included, as appropriate, advisors and corporate management team members of the executive management of the Company.

Insurance cover

The Company maintains insurance with a limit of £5 million to cover its Directors and Officers against the cost of defending themselves against civil legal proceedings taken against them. To the extent permitted by law the Company also indemnifies its Directors and Officers. Neither protection applies in the event of fraud or dishonesty.

Nominations Committee

The Nominations Committee consists of Mr Shishir Kumar Poddar, Mr Christian G St. John-Dennis and Mr. Rajesh Kedia. During the year under reporting the Nominations Committee met once and fulfilled its duties of reviewing the Board structure and composition and identifying and nominating candidates to fill Board vacancies as they arise.

The Executive Chairman conducts an induction process for a new Director to the board, provides extensive briefing for a new member to fully understand the Company's business and the requirements of his roles, makes introductions with the extended leadership team and provides all guidance for evolving the effective contribution by a Director to the activities of the Company and the Board.

Audit Committee

Formal terms of reference for the Audit Committee have been documented and made available to each member of the committee. The Audit Committee consists of Mr Shishir Kumar Poddar, Mr Lincoln John Moore and Mr. Rajesh Kedia.

The terms of reference of the Audit Committee include the following requirements:

- To monitor the integrity of financial statements and of any formal announcements relating to the Company's financial performance.
- To review the Company's internal controls and risk management systems.
- To make recommendations to the Board in relation to internal control matters that require improvement or modification.
- To make recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor and to approve the auditor's remuneration.
- To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process.
- To establish and monitor whistle blowing procedures.

No internal audit function exists due to the size of the Group. This is reviewed annually by the Audit Committee which reflects on any increased risk or regulatory changes in the period under review in making their recommendation to the Board.

The Audit Committee met once during the year and once after the year end. Matters considered at these meetings included: reviewing and approving the report and financial statements for the period ended 31 March 2021; discussion with the external auditors to confirm their independence and scope for audit work; considering the reports from external auditors identifying any accounting or judgemental issues requiring the Board's attention and the auditors' assessment of internal controls; reviewing the Company's risk register and business continuity procedures; and considering the adequacy of the whistle-blowing facility, the anti-bribery training and monitoring and data protection policy and procedures.

The Audit Committee currently consists of Mr Shishir Kumar Poddar, Mr Rajesh Kedia and Mr. Lincoln John Moore and members of the executive management leading the finance and corporate team of the Company.

Remuneration Committee

The Remuneration Committee comprises Mr Shishir Kumar Poddar, Mr Christian G St. John-Dennis and Mr. Rajesh Kedia. The Remuneration Committee reviews the performance of the Board including the Executive Chairman and any member of the concert party being part of the management team on matters relating to their remuneration, bonus and their terms of service. The Remuneration Committee also makes recommendations to the Board on granting of share warrants or other equity-based incentives to the Board and senior management from time to time. The Remuneration Committee meets at least once a year and as and when it is necessary.

The Remuneration Committee further seeks to provide guidance on remuneration packages to attract, retain and motivate the leadership management team of the Company and the Group and seeks to avoid paying more than is necessary for this purpose. It has access to independent advice from the Company's advisors on all aspects of remuneration and benefits and terms of service of the Company's Board and executive management team. During the year 1 April 2020 to 31 March 2021, the Renumeration Committee met twice for conduct of business of the committee.

Internal controls

The Board is responsible for the Group and the Company's system of internal controls and for reviewing its effectiveness and the same are well documented. The same are in operation which is appropriate for the Group and Company in its current state.

The Audit Committee shall each year be considering if the current level of internal controls are appropriate. On advice from the Audit Committee, the Board does not consider any additional independent verification of the system of internal controls to be required, based on the size of the Company and the Group, and the non-complex nature of both its management systems and financial structure.

Dialogue with major shareholders

The Board is committed to maintaining effective communication and having constructive dialogue with its shareholders. During the year 1 April 2020 to 31 March 2021, the Company extensively engaged with both its current and prospective, private, and institutional shareholders through meetings and presentations, and for them to have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's AGM.

This report was approved by the Board of Directors on 17 September 2021 and signed on its behalf by

Mr Shishir Poddar
Executive Chairman and Managing Director

Independent Auditor’s Report to the Members of Tirupati Graphite plc

Opinion

We have audited the financial statements of Tirupati Graphite Plc (the ‘parent company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group’s and of the parent company’s affairs as at 31 March 2021 and of the group’s loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions on the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and as regard to the group financial statements, international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors’ assessment of the group’s and parent company’s ability to continue to adopt the going concern basis of accounting included; consideration of the company’s objectives, policies and processes in managing its capital as well as exposure to financial, credit and liquidity risks; inspection of cash flow forecasts for the ensuing twelve months from the date of approval of these financial statements, reviewing the impact of COVID-19 and assessment thereof. We have performed sensitivity analysis on the cash flow forecast prepared by management, and challenged the assumptions included thereto, including the review of the estimated cash flows surrounding the commissioning of the Vatomina plant. We have also stress tested the forecast provided to a point which the group would no longer be considered a going concern, and ensured there is sufficient headroom available.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Materiality for the group financial statements was set at £140,000 (2020: £135,000). This was calculated based on 2% of gross assets for the year. Using our professional judgement, we have determined this to be the principal benchmark within the financial statements as it will be most relevant to stakeholders in assessing the financial performance of the group as they key focus of the group is the value of its producing assets and assets under construction in Madagascar. This benchmark is key in being able to demonstrate to stakeholders the costs incurred in bringing these mines to production, and achieving increased revenues in future periods. Materiality for the parent company financial statements was set at £139,000 (2020: £130,000). This was calculated on the same basis as group materiality.

Performance materiality for the group financial statements was set at £98,000 (2020: £94,500) and the parent company was set at £97,300 (2020: £91,000), being 70% of materiality for the financial statements as a whole respectively. The performance materiality for the trading subsidiaries is calculated on the same basis as group materiality.

We agreed to report to those charged with governance all corrected and uncorrected misstatements we identified through our audit with a value in excess of £7,000 (2020: £6,750) and for the parent company a value in excess of £6,950 (2020: £6,500). We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

As part of our planning, we assessed all components of the group for their significance in order to determine the scope of the work to be performed. Those entities of the group which were considered to be significant components, being Tirupati Graphite plc, Tirupati Madagascar Ventures ("TMV") and Establissements Rostaing ("ER"), were subject to full scope audit procedures by PKF Littlejohn LLP. Procedures were then performed to address the risks identified and for the most significant assessed risks of material misstatement, the procedures performed are outlined below in the key audit matters section of this report.

Tirupati Resources Mauritius is a holding company and trivial to the consolidated financial statements, and therefore group analytical procedures only have been performed in respect of this entity.

We did not rely on the work of any component auditors.

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 and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. 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.

Key Audit Matter	How our scope addressed this matter
Carrying value of fixed assets – Note 13	
There is a risk that the assets capitalised in respect of the Sahamamy project could be overstated and depreciation understated. The mine which drives a major part of the business operations (from which the costs of the Sahamamy project are incurred) is operating at full capacity.	We performed the following procedures: ● Confirmed the company held good title to the license area; ● A review of managements considerations of impairment in respect of the Sahamamy project, including challenge of the key assumptions made; ● A review of the competent person report prepared by a third party expert and challenging the inputs made thereto; ● We obtained an understanding of the internal control environment in operation surrounding the impairment review of fixed assets; and ● We reviewed the assets for any evidence of breach of the impairment indicators. <u>Key observations:</u> We concluded that the carrying value of fixed assets are complete and accurate. We have assessed the accounting treatment applied and confirmed appropriate and assessed the impairment review under IAS 36 and confirmed the impairment criteria are not met.
Classification and valuation of exploration assets and assets under construction – Note 11 and 13	

<table>
<tr>
<td>There is a risk that the assets capitalised in respect of the Vatomina project do not meet the criteria for capitalisation and the asset is not economic and the value of the asset is overstated.</td>
<td>The audit procedures performed to address the risk included:

● Ensuring appropriate classification of assets by reference to nature and underlying agreements;

● Discussing with management the current stage of development of the assets held and future plans;

● Vouching a sample of fixed asset additions to supporting documentation and confirming appropriate classification thereto; and

● A review of the competent person report prepared by a third party expert and challenging the inputs made thereto;

<u>Key observations:</u>

We concluded that the classification of assets under construction to be appropriate and the valuation of said assets to be accurate. We have assessed the classification of additions and the asset as a whole and confirmed appropriate. We have also assessed the impairment review under IAS 36 and confirmed the impairment criteria are not met.</td>
</tr>
</table>

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors’ remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors’ responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group’s and the parent 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from Financial Conduct Authority Rules, UK Companies Act 2006 and IFRS, LSE Listing Requirements, Disclosure Guidance, Transparency rules as well Import, Export and Customs Powers (Defence) Act 1939 and local tax laws and regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:

- enquiries of management,
- review of minutes,
- review of legal / regulatory correspondence,
- assessment of policies and procedure in:
  - identifying all applicable laws and regulations relevant to it;
  - ensuring compliance with the aforementioned; and
  - identifying, evaluating and accounting for litigation claims.

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, revenue recognition, inappropriate application of the going concern assessment in the financial statements and management bias in determining accounting estimates (decommissioning provision, impairment of fixed assets).

- The above risks were addressed by performing journal testing and detailed testing for material sections including revenue, evaluating management's method to assess the entity's ability to continue as a going concern and lastly, challenging the assumptions and judgements made by management when auditing significant accounting estimates.

- In relation to compliance with laws and regulations for the Group as a whole, we assessed whether the policies and procedures address all the applicable laws and regulations through inquiry of management inquiry as well as appointed legal advisors and inspection of minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by Companies Act 2006 of the United Kingdom on 26 May 2021 to audit the financial statements for the period ending 31 March 2021 and subsequent financial periods. Our total uninterrupted period of engagement is 3 years, covering the period ending 31 March 2018 to 31 March 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

As permitted by the Standard mentioned above, the only non-audit service provided pertains to us taking the position as Reporting Accountant where a fee of £50,000 was payable. This may pose our self-interest threat to our integrity, objectivity and independence. To reduce this threat to a significantly low level, the safeguard applied was having an independent second partner review for the audit work pertaining to the 2021 period.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr. Zahir Khaki (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

2021

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Continuing operations			
Revenue	**6**	1,123,426	793,577
Cost of Sales		(488,083)	(411,899)
Gross profit		**635,343**	**381,678**
Administrative expenses	**7**	(1,737,304)	(1,193,650)
Operating loss		**(1,101,961)**	**(811,972)**
Finance costs	**9**	(147,151)	(46,003)
Loss before income tax		**(1,249,112)**	**(857,975)**
Income tax	**10**	(27,827)	(54,767)
Loss for the year attributable to owners of the Company		**(1,276,939)**	**(912,742)**
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(417,693)	(1,382)
Total comprehensive loss for the year attributable to the Group		**(1,694,632)**	**(914,124)**
Earnings per share attributable to owners of the Company		Pence per share	Pence per share
From continuing operations:			
Basic	**11**	**(2.61)**	**(1.53)**
Diluted	**11**	**(2.37)**	**(1.53)**

The accompanying accounting policies and notes are an integral part of these financial statements

Consolidated and Company Statement of Financial Position

As at 31 March 2021

		Group		Company	
		2021	2020	2021	2020
		£	£	£	£
	Notes				
Non-current assets					
Investments in subsidiaries	13	-	-	3,539,448	3,539,448
Property, plant and equipment	14	3,020,142	1,980,635	201,725	544,209
Deferred tax		21,182	49,422	-	-
Deposits		1,872	2,121	-	-
Intangible assets	12	3,682,354	3,691,243	40,970	153,001
Total non-current assets		**6,725,550**	**5,723,421**	**3,782,143**	**4,236,658**
Current assets					
Inventory	16	461,093	150,105	212,581	-
Trade and other receivables	15	1,102,868	409,309	5,547,806	2,709,828
Cash and cash equivalents		1,644,189	46,640	1,491,454	34,955
Total current assets		**3,208,150**	**606,054**	**7,251,841**	**2,744,783**
Current liabilities					
Trade and other payables	17	445,273	427,871	219,780	433,355
Total current liabilities		**445,273**	**427,871**	**219,780**	**433,355**
Net current assets		**2,762,877**	**178,183**	**7,032,061**	**2,311,428**
Non-current liabilities					
Borrowings	19	1,283,000	810,000	1,283,000	810,000
Other payables	17	23,864	817,388	-	779,621
Total non-current liabilities		**1,306,864**	**1,627,388**	**1,283,000**	**1,589,621**
NET ASSETS		**8,181,563**	**4,274,216**	**9,531,204**	**4,958,465**
Equity					
Share capital	20	1,871,084	1,498,132	1,871,084	1,498,132
Share premium account		10,426,988	5,328,517	10,426,988	5,328,518
Warrant reserve	21	130,557	-	130,557	-
Foreign exchange reserve		(414,546)	3,147	-	-
Retained losses		(3,832,520)	(2,555,580)	(2,897,425)	(1,868,185)
Equity attributable to owners of the Company		**8,181,563**	**4,274,216**	**9,531,204**	**4,958,465**
TOTAL EQUITY		**8,181,563**	**4,274,216**	**9,531,204**	**4,958,465**

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company statement of comprehensive income.

The loss for the parent company for the year was £1,029,240 (2020: £634,880).

The accompanying accounting policies and notes are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 17 September 2021 and signed on its behalf by:

Mr Shishir Poddar
Executive Chairman and Managing Director
Company registration number: 10742540

Consolidated Statement of Changes in Equity

For the year ended 31 March 2021

	Share capital	Share premium	Foreign exchange reserve	Share warrants reserve	Retained losses	TOTAL EQUITY
	£	£	£	£	£	£
Balance at 1 April 2019	**1,470,275**	**5,024,524**	**4,714**	**-**	**(1,642,839)**	**4,856,674**
Total comprehensive income:						
Loss for the period	-	-	-	-	(912,742)	(912,742)
Forex exchange loss	-	-	(1,567)	-	-	(1,567)
Transactions with owners:						
Shares issued	27,857	353,994	-	-	-	381,851
Share application money	-	(50,000)	-	-	-	(50,000)
Balance at 31 March 2020	**1,498,132**	**5,328,518**	**3,147**	**-**	**(2,555,581)**	**4,274,215**
Total comprehensive income:						
Loss for the period	-	-	-	-	(1,276,940)	(1,276,940)
Forex exchange loss	-	-	(417,693)	-	-	(417,693)
Transactions with Equity owners:						
Shares issued	372,952	5,098,470	-	-	-	5,471,422
Warrant charge	-	-	-	130,557	-	130,557
Balance at 31 March 2021	**1,871,084**	**10,426,988**	**(414,546)**	**130,557**	**(3,832,521)**	**8,181,563**

The accompanying accounting policies and notes are an integral part of these financial statements.

Share capital – Represents the nominal value of the issued share capital.

Share premium account – Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Retained earnings – Represents accumulated comprehensive income for the year and prior periods.

Foreign exchange reserve – Represents exchange differences arising from the translation of the financial statements of foreign subsidiaries and the retranslation of monetary items forming part of the net investment in those subsidiaries.

Share warrant reserve – Represents reserve for equity component of warrants issued as per IFRS 2 share-based payments.

Company Statement of Changes in Equity

For the year ended 31 March 2021

	Share capital	Share premium	Share warrants reserve	Retained losses	TOTAL EQUITY
	£	£	£	£	£
Balance at 1 April 2019	**1,470,275**	**4,974,524**	**-**	**(1,233,304)**	**5,211,495**
Total comprehensive income:					
Loss for the period	-	-	-	(634,881)	(634,881)
Transactions with owners:					
Shares issued	27,857	353,994	-	-	381,851
Balance at 31 March 2020	**1,498,132**	**5,328,518**	**-**	**(1,868,185)**	**4,958,465**
Total comprehensive income:					
Loss for the period	-	-	-	(1,029,240)	(1,029,240)
Transactions with Equity owners:					
Shares issued	372,952	5,098,470	-	-	5,471,422
Warrant charge	-	-	130,557	-	130,557
Balance at 31 March 2021	**1,871,084**	**10,426,988**	**130,557**	**(2,897,425)**	**9,531,204**

The accompanying accounting policies and notes are an integral part of these financial statements.

Share capital – Represents the nominal value of the issued share capital.

Share premium account – Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Retained earnings – Represents accumulated comprehensive income for the year and prior periods.

Share warrant reserve – Represents reserve for equity component of warrants issued as per IFRS 2 share-based payments.

Consolidated Statement of Cash Flows

For the year ended 31 March 2021

		2021	2020
		£	£
Cash used in operating activities			
Loss for the year		**(1,276,940)**	**(912,742)**
Adjustment for:			
Depreciation		205,723	127,100
Convertible loan note costs (“CLN”)		21,910	56,700
Share based payments expense		49,627	-
Finance costs		147,151	46,003
Income tax		(27,827)	(54,767)
Working capital changes:			
Increase in inventories		(310,987)	(93,604)
(Increase)/Decrease in receivables		(693,559)	21,935
Increase/(Decrease) in payables		17,402	(274,112)
Net cash used in operating activities		**(1,867,500)**	**(1,083,487)**
Cash flows from investing activities:			
Purchase of tangible assets		(1,039,507)	(846,229)
Purchase of other assets		28,489	(18,045)
Net advances given		(586,700)	137,091
Net cash from investing activities		**(1,597,718)**	**(727,183)**
Cash flows from financing activities			
Proceeds from Shares issued (net of costs)		5,552,352	331,851
Proceeds from issue of Convertible loan notes		473,000	810,000
Cost of issue of Convertible loan notes		(21,910)	(56,700)
Finance cost		(147,151)	(46,003)
Increase / (decrease) in long term liabilities		(793,524)	773,481
Net cash from financing activities		**5,062,767**	**1,812,629**
Net increase in cash and cash equivalents		**1,597,549**	**1,959**
Cash and cash equivalents at beginning of period		46,640	44,681
Cash and cash equivalents at end of period		**1,644,189**	**46,640**

The accompanying accounting policies and notes are an integral part of these financial statements.

Net advances – Represents the net advances given to the suppliers of machinery for supply of equipment for Madagascar projects of the Company

Company Statement of Cash Flows

For the year ended 31 March 2021

		2021	2020
		£	**£**
Loss for the year		**(1,029,240)**	**(634,880)**
Adjustment for:			
Increase in inventories		(212,580)	-
Foreign exchange loss		-	9,621
Share based payments		49,627	-
CLN issuance cost		21,910	-
Finance costs		147,151	46,003
Working capital changes:			
Increase in receivables		(2,837,978)	(616,060)
(decrease)/Increase in payables		(213,576)	456,799
Net cash used in operating activities		**(4,074,686)**	**(738,517)**
Cash flows from investing activities:			
(Purchase)/sale of tangible assets		342,484	(333,809)
(Purchase)/sale of intangible assets		112,031	(36,159)
Net cash from investing activities		**454,515**	**(369,968)**
Cash flows from financing activities			
Shares issued		5,552,352	381,851
Proceeds from issue of convertible loan notes		473,000	810,000
CLN issue cost		(21,910)	(56,700)
(decrease) in long term liabilities		(779,621)	-
Finance costs		(147,151)	-
Net cash from financing activities		**5,076,670**	**1,135,151**
Net increase in cash and cash equivalents		**1,456,499**	**26,666**
Cash and cash equivalents brought forward		34,955	8,289
Cash and cash equivalents carried forward		**1,491,454**	**34,955**

The accompanying accounting policies and notes are an integral part of these financial statements.

Notes to the Financial Statements

1. General information

Tirupati Graphite plc (the "Company") is incorporated in England and Wales, under the Companies Act 2006. The registered office address is given on Company Information page.

The Company is a public company, limited by shares. On 14 December 2021 the ordinary shares of the Company were admitted on the official list of the FCA and to trading on the main market of the London stock exchange through standard listing.

The principal activities of the Company and its subsidiaries (the "Group") and the nature of the Group's operations are set out in the Strategic Report.

These consolidated financial statements are presented in pounds sterling since that is the currency of the primary economic environment in which the Group and Company operates.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

New standards

The Group and Company have adopted all recognition, measurement, and disclosure requirements of IFRS, including any new and revised standards and Interpretations of IFRS, in effect for annual periods commencing on or after 1 April 2020. The adoption of these standards and amendments did not have any material impact on the financial result of position of the Group and Company.

Standards which are in issue but not yet effective:

At the date of authorisation of these financial statements, the following Standards and Interpretation, which have not yet been applied in these financial statements, were in issue but not yet effective.

Standard or interpretation	Description	Effective date
IAS 1	Amendments – Classification of Liabilities as Current or Non-Current	1 January 2023
IAS 16	Amendments – Property, Plant and Equipment	1 January 2022
IAS 8	Amendments – Definition of Accounting Estimates	1 January 2023
IAS 1	Amendments – Disclosure of Accounting Policies	1 January 2023
IFRS	Annual improvements to IFRS Standards 2018-2020	1 January 2022

The Group and Company have not early adopted any of the above standards and intends to adopt them when they become effective.

3. Significant accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at the fair values at the end of the reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

The principal accounting policies adopted are set out on the following pages.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review and Strategic Report Sections. The financial position of the Group and the Company, their cash flows and liquidity positions are contained in the financial statements. The expected evolution of the business and significant post year end events are also described in the business review and strategic reports. In addition, the Annual Report discloses the Group's objectives, policies and processes for managing its business and capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risk.

At the beginning of the year under reporting, the Company was a private entity with a small operation developing its business as described in the business review section, and was incurring nett losses at the Group level. It was in the process to seek admission on the standard segment of the London Stock Exchange and during the year, the Company achieved success in its efforts with a successful IPO raising gross proceeds of £6,000,000 to pursue further investments and creation of additional capacities to grow its business. Post year end, the Company further raised gross proceeds of £10,000,000 to meet its investments and working capital needs. Post its IPO, the Group progressed development of 3X additional flake graphite production capacity which was fully commissioned in early September 2021 post year end, enhancing its installed capacity from the previous 3,000 tpa to 12,000 tpa. It further remains funded for its investment needs for the next additional capacity under construction being 18,000 tpa which is expected to complete and commission in Q1/Q2 2022. From the operations of the 3,000 tpa capacity existing in the year under review, the Company generated gross Profits of £635,342 in spite of lower capacity utilisation, which it expects to improve further with the impacts of the pandemic expected to recede and additionally, for the second half of the current year, additional capacity of 9,000 tpa shall be operational.

Taking in to account the comments above, the Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, given its current cash resources, installed capacities and operations which now have broken the threshold for the Company to meet all its non-investment cash needs from revenues and additional capacities being built by the Company for which it remains fully funded and which when completed, are expected to add further additional operating cash flows.

Should the Company not be unable to meet its investment needs from the internal accruals coupled with its current cash resources and not raise additional funds in the foreseeable future for its investment plans, the Directors would implement delays in investment for additional capacities and / or cost and cash saving measures and continue to generate revenues in order to meet its liabilities as they fall due. Therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notwithstanding the loss incurred during the year under review, the Directors have prepared and reviewed a cash flow forecast including consideration of the impact of COVID-19. The forecast contains certain assumptions about the level of future sales and margins achievable. The Directors have considered various future scenarios in their forecasting to enable them to adequately consider whether the Group has adequate resources to continue in operational existence and remain of the view that the Company has adequate cash resources, business prospects and access to capital markets to remain a going concern.

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group consists of Tirupati Graphite plc and its wholly owned subsidiaries Tirupati Resources Mauritius, Tirupati Madagascar Ventures and Establissements Rostaing.

In the parent company financial statements, investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Tirupati Graphite plc and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between Group companies are eliminated on consolidation.

Segment reporting

An operating segment is a component of the Group that engages in business activity from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with the Group's other components. All operating segments' operating results, for which discrete financial information is available, are reviewed regularly by the Group's Board to make decisions about resources to be allocated to the segment and assess its performance. The Group reports on a three-segment basis – Holding Companies Expenses, Mining Exploration and Development and Graphite Mining Extraction.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods or services supplied in course of ordinary business, stated net of discounts, returns and value added taxes. The Group recognises revenue in accordance with IFRS 15 at either a point in time of over time, depending on the nature of the goods or services and existence of acceptance clauses.

Revenue from the sale of goods is recognised when delivery has taken place and the performance obligation of delivering the goods has taken place. The performance obligation of products sold are transferred according to the specific delivery terms that have been formally agreed with the customer, generally upon delivery when the bill of lading is signed as evidence that they have accepted the product delivered to them.

Foreign currencies

For the purposes of the consolidated financial statements, the results and financial position of each Group company are presented in pounds sterling, which is the functional currency of the Company. At balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Income and expense items are translated at the average exchange rates for the period.

Taxation

Income tax represents the sum of current tax and deferred tax.

Current tax

Current tax is based on taxable profit or loss for the year. Taxable profit or loss differs from net profit or loss as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Assets Under Construction

All expenditure on the construction, installation or completion of infrastructure facilities is capitalised as construction in progress within “Assets Under Construction”. Once production starts, all assets included in “Assets Under Construction” will be transferred into “Property, Plant and Equipment”. It is at this point that depreciation/amortisation commences over its useful economic life.

Assets Under Construction are stated at cost. The initial cost comprises transferred Mining Exploration and Evaluation assets, construction costs, infrastructure facilities, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and, for qualifying assets and borrowing costs. Costs are capitalised and categorised as construction in progress.

Property, Plant and Equipment

Property, Plant and Equipment in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Costs includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Plant and machinery	10%-25% per annum
Infrastructure and fixtures	10%-25% per annum

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Mining Exploration and Evaluation

Mining Exploration and Evaluation costs are carried forward in respect of areas of interest where the consolidated entity's rights to tenure are current, and where these costs are expected to be recouped through successful development into production from the area of interest or by sale or disposal of the project. Alternatively, these costs are carried forward while active and significant exploration and evaluation costs are continuing in relation to the areas of interest and it is too early to make reasonable assessment of the existence or otherwise of economical production from the area of interest. When the area of interest is abandoned, exploration and evaluation costs previously capitalised pertaining to the area of interest are impaired.

Costs incurred by the Company on behalf of its subsidiaries and associated with exploration and evaluation activities are capitalised on a project-by-project basis pending commencement of production from the project. Costs incurred include appropriate technical and administrative expenses but not general overheads. If the exploration and evaluation activities lead to economic production from the project, the related expenditures will be written-off over the estimated life (useful economic life) of the project on a unit of production basis. Impairment reviews are carried out regularly by the Directors of the Company. Where a project is abandoned, or is considered to be of no further commercial value, the related costs will be written off to the Statement of Comprehensive Income.

The recoverability of these costs is dependent upon the exploration and evaluation activities successfully transitioning into production from the project, the ability of the Group to obtain necessary financing to complete the development of the project and derive future profitable production or proceeds from the sale or disposal of the project.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Investments

Investments in subsidiaries are held at cost less any impairment.

Financial instruments

Financial assets and financial liabilities are recognised in the Group’s balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

The Group applies IFRS 9 “Financial Instruments” and elected the simplified approach method.

The Group classifies its financial assets in the following categories: loans and receivables and fair value through profit and loss. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The principal financial assets of the Company are loans and receivables, which arise principally through the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of contractual monetary assets. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets.

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

Financial assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss in respect of which transaction costs are recorded in profit or loss. Other financial assets are classified into the following specified categories: financial assets as "at fair value through profit and loss" and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The fair value of the liability portion of a convertible bond is determined using a market rate of interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the consolidated cash flow statement.

Financial assets - impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its instruments carried at amortized cost and Fair Value Through Profit or Loss ("FVTPL"). The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Non-financial assets - impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets, including Goodwill, to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Provision is made for any impairment and immediately expensed in the period.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial liabilities and equity instruments issued by the Group

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issued costs.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised costs, using the effective interest rate method.

Borrowings

These financial liabilities are all non-interest bearing and are initially recognised at amortised costs and include the transaction costs directly related to the issuance. The transaction costs are amortised using the effective interest rate method over the life of the liability.

Financial liabilities at Fair Value Through Profit or Loss (“FVTPL”)

Financial liabilities at FVTPL comprise of the Company’s convertible loan notes payable. Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘other gains and losses’ line item in the income statement.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, as set out above, with interest expense recognised on an effective yield basis.

Share based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and condition of equity settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

As a result of the increase in share price and the impact of the estimation of share-based payments the Group has now recognised an expense for the outstanding share options and warrants.

4. Critical accounting estimates and judgements

The preparation of financial statements in conformity with adopted IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or action, actual results ultimately may differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

a) Impairment of assets

The Company is required to test, on an annual basis, whether its non-current assets have suffered any impairment. Determining whether these assets are impaired requires an estimation of the value in use of the cash-generating units to which the assets have been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate to calculate the present value. Subsequent changes to the cash generating unit allocation or to the timing of cash flows could impact on the carrying value of the respective assets.

The Company assessed the recoverability of intragroup receivables, and it does not require any impairment adjustment in current financial year.

5. Segmental analysis

The Management believes, under IFRS 8 – "Segmental Information", the Group operated in three primary business segments in 2021, being Holding Companies Expenses, Mining Exploration and Development and Graphite Mining Extraction.

Segmentation by continuing businesses

Segment results

	2021	2020
	£	£
Revenue to external customers		
Graphite Mining Extraction	**1,123,426**	793,577
(Loss) before income tax		
Holding Companies Expenses	**(1,002,218)**	(609,868)
Mining Exploration and Development	**(239,555)**	(193,042)
Graphite Mining Extraction	**(14,957)**	(55,065)

Net assets/(liabilities)		
Holding Company Expenses	**9,120,707**	5,440,186
Mining Exploration and Development	**(698,823)**	(193,749)
Graphite Mining Extraction	**(237,415)**	(573,146)

Segmentation by geographical area:

	2021	2020
	£	£
Revenue to external customers		
UK	**1,123,019**	793,577
Mauritius	**-**	-
Madagascar	**407**	-
(Loss) before income tax		
UK	**(1,036,857)**	(634,881)
Mauritius	**785**	(20,079)
Madagascar	**(220,658)**	(261,079)
Net assets		
UK	**9,534,110**	5,593,346
Mauritius	**159,159**	189,322
Madagascar	**(1,508,800)**	(530,416)

6. Revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

2021	**USA**	**Europe**	**India**	**Total**
Revenue from external customers	19,565	211,584	892,277	1,123,426
Timing of recognition:				
At a point in time	19,565	211,584	892,277	1,123,426

2020	**USA**	**Europe**	**India**	**Total**
Revenue from external customers	41,022	122,408	630,147	793,577
Timing of recognition:				
At a point in time	41,022	122,408	630,147	793,577

7. Expenses by nature

	2021	2020
	£	£
The following items have been included in arriving at operating loss		
Depreciation	**205,723**	127,100
Net foreign exchange loss	**(22,058)**	1,382
PR/IR Expenses	**119,181**	65,881
Professional Fees	**55,421**	90,910
Auditor's remuneration has been included in arriving at operating loss as follows:		

Fees payable to the Company's auditor and their associates for the audit of the Parent Company and consolidated financial statements	**45,000**	33,209
Fees payable to the Company's auditor and its associates for other services:		
Corporate finance services	**50,000**	-

8. Employee information

The average monthly number of employees (including Executive Directors) was:

	2021	2020
Number of employees for the year:	203	150

	£	£
Wages & salaries (for the above employees)	**930,707**	380,892
Social security costs	**12,521**	7,122
Share based payments	**68,739**	-
	1,011,967	388,014

Directors' remuneration and transactions

	2021	2020
	£	£
Directors' remuneration		
Emoluments and fees	**634,849**	324,000

	£	£
Remuneration of the highest paid director:		
Emoluments and fees	**240,000**	180,000
Payment in lieu of retirement benefits	**24,000**	-
Bonus	**198,000**	-
Share based payments	**20,507**	**-**

Refer to Directors Remuneration Report for further information in respect of Directors' remuneration.

9. Finance cost

	2021	2020
	£	£
Interest Expense	**147,151**	46,003

10. Income tax

	2021	2020
	£	£
Total current tax	**-**	-
Deferred tax charged to the income statement	**27,827**	54,767
Total	**27,827**	54,767
The tax assessed for the period is different from the standard rate of income tax, as explained below:		

Loss before tax on continuing operations	**(1,249,113)**	(857,975)
Loss before tax multiplied by the standard rate of income tax of 20%	**(249,823)**	(171,595)
Tax losses carried forward	**221,996**	116,828
Adjustments to tax charge in respect of prior periods	**-**	-
Tax (credit)/charge for period	**27,827**	54,767
Total tax losses carried forward on which no DTA has been recognized	**2,660,796**	1,175,112

The Group has tax losses available to be carried forward and used against trading profits arising in future periods of £2,660,796 (2020: £1,175,112). A deferred tax asset of £532,159 (2020: £235,022) calculated at a weighted average rate of 20% has not been recognised in respect of the tax losses carried forward on the basis that there is insufficient certainty over the level of future profits to utilise against this amount.

11. Earnings per share

Basic and diluted
Earnings per share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of Ordinary shares in issue during the period.

	2021	2020
Continuing operations:		
Loss attributable to equity holders of the Company (£)	**(1,694,632)**	(912,742)
Weighted average number of ordinary shares in issue	**64,883,546**	59,756,437
Loss per share (pence)	**(2.61)**	(1.53)

	2021	2020
Diluted number of ordinary shares in issue	**71,357,375**	59,756,437

Given the loss for the year, the diluted earnings per share was the same as basic earnings per share as this would otherwise be dilutive.

12. Intangible Assets

Group	**Exploration assets**
Cost	**£**
At 1 April 2019	3,902,234
Additions	135,766
Impairment	(346,756)
At 1 April 2020	3,691,243
Additions	-
Forex Change	8,889
At 31 March 2021	**3,682,354**
Accumulated amortisation	
At 1 April 2019	-
Charge for the year	-
At 1 April 2020	-
Charge for the year	-
At 31 March 2021	**-**
Net book value	
At 1 April 2019	3,902,234
At 1 April 2020	3,691,243
At 31 March 2021	**3,682,354**

Intangible assets comprise exploration and evaluation costs. Exploration and evaluation assets are all internally generated, except for those acquired at fair value as part of a business combination.

Exploration and evaluation assets have no useful economic life per IFRS 6 and are tested for impairment annually.

13. Investments

Company	**Shares in group undertaking**
Cost	**£**
At 1 April 2019	3,539,448
At 1 April 2020	3,539,448
At 31 March 2021	**3,539,448**
Net book value	
At 1 April 2019	3,539,448
At 1 April 2020	3,539,448
At 31 March 2021	**3,539,448**

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Tirupati Resources Mauritius
Registered: C/o Alliance Financial Services Ltd, Level 2, Standard Chartered Tower, Cybercity, Ebene, Republic of Mauritius

Nature of business: Holding and administrative entity

	%
Class of share	Holding
Ordinary shares	100*

*Tirupati Resources Mauritius is liquidated on 28th May 2021 and the shares are transferred to Tirupati Graphite Plc

Tirupati Madagascar Ventures
Registered: Mining Business Center, Box No – 5, Lot K 7, Mamory, Ivato, Antananarivo 105, Madagascar
Nature of business: Evaluation and exploration of mining operations

	%
Class of share	Holding
Ordinary shares	98*

*indirectly through Tirupati Resources Mauritius. Tirupati Resources Mauritius was liquidated on 28th May 2021 and the shares have been transferred to Tirupati Graphite Plc

Establissements Rostaing
Registered: Lot II N 95 SB BIS E, Ambatobe, Antananarivo 103, Madagascar
Nature of business: Graphite mining extraction

	%
Class of share	Holding
Ordinary shares	100*

* *95% held indirectly by Tirupati Resources Mauritius.* Tirupati Resources Mauritius is liquidated on 28th May 2021 and the shares are transferred to Tirupati Graphite Plc

14. Property, plant and equipment

Group	Plant and Machinery	Infrastructure & Fixtures	Assets under construction	Development costs	Total
	£	£	£		£
Cost					
At 1 April 2019	773,167	82,518	219,561	220,400	1,295,646
Additions	476,457	34,301	138,762	323,809	973,329
At 1 April 2020	1,249,624	116,819	358,323	544,209	2,268,975
Additions	735,950	294,976	217,210	-	1,248,136
Reclassification	-	-	544,209	(544,209)	-
At 31 March 2021	**1,985,574**	**411,795**	**1,119,742**	**-**	**3,517,111**
Accumulated depreciation and impairment					
At 1 April 2019	151,263	9,977	-	-	161,240
Depreciation	103,098	24,002	-	-	127,100
At 1 April 2020	254,361	33,979	-	-	288,340
Depreciation	146,893	58,830	-	-	205,723
At 31 March 2021	**401,254**	**92,809**	**-**	-	**494,063**
Carrying amount					
As at 1 April 2020	995,263	82,840	358,323	544,209	1,980,635
As at 31 March 2021	**1,584,320**	**318,986**	**1,119,742**	**-**	**3,023,048**

Company		Assets under construction £	Total £
Cost		**£**	
At 1 April 2019		220,400	220,400
Additions		323,809	323,809
At 1 April 2020		544,209	544,209
Transfer to Subsidiary		(339,578)	(339,578)
At 31 March 2021		**204,631**	**204,631**
At 1 April 2019		-	-
Depreciation		-	-
At 1 April 2020		-	-
Depreciation		-	-
At 31 March 2021		**-**	**-**
		-	
Carrying amount			
As at 1 April 2020		**544,209**	**544,209**
As at 31 March 202!		**204,631**	**204,631**

15. Trade and other receivables

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Trade receivables	721,534	208,476	566,646	208,476
Other debtors	381,334	217,693	87,846	103,764
Amounts owed by group undertakings	-	-	4,893,314	2,397,588
Prepayments	-	7,887	-	-
	1,102,868	**409,309**	**5,547,806**	**2,709,828**

In the Directors' opinion, the carrying amounts of receivables is considered a reasonable approximation of fair value. The Group monitors on a monthly basis the receivable balance and makes impairment provisions when debt reaches a certain age. There are no significant known risks as at 31 March 2021.

16. Inventories

	Group	
	2021	**2020**
Cost and net book value	**£**	**£**
Raw materials and consumables	222,352	57,600
Finished and semi-finished goods	26,160	92,505
Goods in Transit	212,580	-
	461,092	**150,105**

17. Trade and other payables

Current:

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Trade payables	**403,361**	272,407	146,213	135,362
Social security and other taxes	**3,422**	25,044	-	25,044
Other payables	-	11,229	-	5,770
Amounts due from group	-	-	35,077	163,566
Accruals	**38,490**	119,191	38,490	103,613
	445,273	**427,871**	**219,780**	**433,355**

In the Directors' opinion, the carrying amount of payable is considered a reasonable approximation of fair value.

Non-current:

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Director's remuneration	**-**	632,015*	**-**	632,015
Management Salary Payable	**-**	147,606	**-**	147,606
Lease liability	**23,864**	37,767	**-**	-
	23,864	817,388	-	779,621

*In 2020 it was considered as Non-Current as payment was deferred till successful capital raise through public issue. Due to the uncertain nature of this activity the company thought it was prudent to treat it as Non-current.

18. Provisions

No provisions have existed within the financial year or persist at year end.

19. Borrowings

During this financial year the Company raised further £513k through a convertible loan note instrument (“CLN”). In the year ended 31st March 2021, CLNs £40k were converted in the equity. Interest on the CLN is chargeable at 12%.

	2021	**2020**
Within one year	-	-
Between 2 and 5 years	1,283,000	810,000
	1,283,000	**810,000**

The loan notes shall be redeemed by the Company, at any time after the first anniversary of an Initial Public Offering up to the Maturity Date or by the Noteholder or the Company, on the Maturity Date being the 31 May 2022.

Conversion can be made 15 Business Days after the date of completion of a successful Initial Public Offering to convert all of the Notes outstanding into fully paid Ordinary Shares at a price equal to the price per Share paid by investors participating in the Initial Public Offering.

20. Share capital

	2021 Number	**2021 £**	2020 Number	2020 £
Allotted, called up and fully paid				
Ordinary shares of 2.5p each	**74,843,323**	**1,871,084**	59,925,243	1,498,131

Shares were issued during the year as follows:

	Cost of issue (£)	**Number of shares issued**
Shares issued from a placing on 15 July 2020	-	995,757
Shares issued from a placing on 04 August 2020	-	500,100
Shares issued from a placing on 14 December 2020	967,103	13,333,334
Shares issued from a placing on 26 January 2021	**-**	88,889
	967,103	**14,918,080**

21. Share based payments & warrant reserve

During the first two years after incorporation of the Company, with the consent of its Board and senior management team, the Company adopted a minimal approach to incentives and provided no bonuses to the executive management team or the Board. However, to show the appreciation of the Company, the Board was provided with an annual incentive package in the form of warrants to subscribe for equity shares of the Company at a premium to the prices at which Ordinary Shares have been subscribed when the Company raised equity in the relevant period. The Company has also provided broker warrants to Optiva, on a success basis, for the fundraising activities executed by it prior to Admission. In addition to this, the Company has also issued warrants to some CLN subscribers for funds raised before admission of the Company to the LSE.

All warrants are equity-settled, in accordance with IFRS 2, by award of warrants to acquire ordinary shares or award of ordinary shares. The fair value of these awards has been calculated at the date of grant of the award. The fair value of the warrants granted was calculated using a Black-Scholes model. Changes in the assumptions can affect the fair value estimate of a Black-Scholes model.

Following are the key assumptions used to estimate the fair value of the warrants issued:

a) Expected Volatility: 20%
b) Contractual Life of the warrant: 3 years
c) Risk free interest rate: 0.38% p.a.

Following warrants over ordinary shares have been granted by the Company and are outstanding as on 31 March 2021:

Grant Date	Expiry Date	Exercise Price (£)	Number of warrants exercisable and outstanding
31 December 2017	30 June 2021	0.300	1,000,000
13 September 2018	13 November 2021	0.200	376,509
31 December 2018	31 December 2021	0.400	1,520,000
31 March 2019	31 March 2022	0.400	480,000
31 December 2019	31 December 2022	0.400	1,620,000
26 February 2020	26 February 2023	0.675	36,000
31 March 2020	31 March 2023	0.400	960,000
15 June 2020	15 June 2023	0.675	222,222
15 June 2020	15 June 2023	0.900	222,222
30 June 2020	30 June 2023	0.675	22,800
16 July 2020	12 August 2022	0.525	41,143
14 December 2020	14 December 2023	0.450	170,329
14 December 2020	14 December 2023	0.675	113,553
		Total	**6,784,778**

Though the Company had committed to provide these warrants to the parties mentioned in the table below since financial year 2017-18, the warrant instrument under which these warrants are approved was finalized and formally approved by the board in the current financial year the warrant reserve was created first time in the current financial year, as the charge relating to previous periods was immaterial to the Company.

Warrants issued to	Number of warrants outstanding	**Warrant reserve £**
Brokers	760,334	**16,457**
Members of the Board & executive management	5,580,000	**68,739**
CLN Investors	444,444	**45,361**
Total	6,784,778	**130,557**

22. Financial instruments

Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Capital risk management
- Market risk
- Credit risk
- Liquidity risk
- Currency risk

This note presents information about the Group's exposure to each of the above risks, the Group's management of capital, and the Group's objectives, policies and procedures for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders as well as sustaining the future development of the business. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt, which includes loans, cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital and retained earnings.

Fair value of financial assets and liabilities

	Valuation, Methodology and hierarchy	**Book value 2021 £**	**Fair value 2021 £**	Book value 2020 £	Fair value 2020 £
Financial assets					
Cash and cash equivalents	(a)	**1,644,189**	**1,644,189**	46,640	46,640
Loans and receivables, net of impairment	(a)	**720,628**	**720,628**	409,309	409,309
Total at amortised cost		**2,364,817**	**2,364,817**	455,949	455,949
Financial liabilities					
Trade and other payables	(a)	**448,633**	**448,633**	1,245,259	1,245,259
Borrowings and provisions	(a)	**1,283,000**	**1,283,000**	810,000	810,000
Lease Liabilities	(a)	**23,864**	**23,864**		
Total at amortised cost		**1,755,497**	**1,755,497**	2,055,259	2,055,259

Valuation, methodology and hierarchy

(a) The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and deferred income, and Borrowings are all stated at book value. All have the same fair value due to their short-term nature.

Market risk

Market price risk arises from uncertainty about the future valuations of financial instruments held in accordance with the Group's investment objectives. These future valuations are determined by many factors but include the operational and financial performance of the underlying investee companies, as well as market perceptions of the future of the economy and its impact upon the economic environment in which these companies operate.

Credit risk

Credit risk is the risk that counterparties to financial instruments do not perform their obligations according to the terms of the contract or instrument. The Group is exposed to counterparty credit risk when dealing with its customers and certain financing activities.

The immediate credit exposure of financial instruments is represented by those financial instruments that have a net positive fair value by counterparty at 31 March 2021. The Group considers its maximum exposure to be:

	2021	2020
	£	£
Financial assets		
Cash and cash equivalents	**1,644,189**	46,640
Loans and receivables, net of impairment	**1,102,868**	409,309
	2,747,058	455,949

All cash balances are held with an investment grade bank who is our principal banker. Although the Group has seen no direct evidence of changes to the credit risk of its counterparties, the current focus on financial liquidity in all markets has introduced increased financial volatility. The Group continues to monitor the changes to its counterparties' credit risk.

Liquidity risk

Liquidity risk is the risk the Group will encounter difficulty in meeting its obligations associated with financial liabilities as they fall due. The Board are jointly responsible for monitoring and managing liquidity and ensures that the Group has sufficient liquid resources to meet unforeseen and abnormal requirements. The current forecast suggests that the Group has sufficient liquid resources.

Available liquid resources and cash requirements are monitored using detailed cash flow and profit forecasts these are reviewed at least quarterly, or more often as required. The Directors decision to prepare these accounts on a going concern basis is based on assumptions which are discussed in the going concern note above.

The following are the contractual maturities of financial liabilities:

31 March 2021	**Carrying amount £**	**Contractual cash flows £**	**6 months or less £**	**6 to 12 months £**	**1 to 2 years £**	**2 to 5 years £**
Non–derivative financial liabilities						
Trade and other payables	**445,273**	-	**445,273**	-	-	-
Borrowings	**1,283,000**	-	-	-	-	**1,283,000**

Cash flow management

The Group produces an annual budget which it updates quarterly with actual results and forecasts for future periods for profit and loss, financial position and cash flows. The Group uses these forecasts to report against and monitor its cash position. If the Group becomes aware of a situation in which it would exceed its current available liquid resources, it would apply mitigating actions involving reduction of its cost base. The Group would also employ working capital management techniques to manage the cash flow in periods of peak usage.

Currency risk

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity. The Group's primary currency exposure is to US Dollar, which is the currency of all intra-group transactions as well as denomination of selling price of the products. The group also has some exposure to Malagasy ariary due to its operating subsidiaries in Madagascar.

Considering the natural hedge available the Group currently doesn't hedge the currency risk. The Group's and Company's exposure to foreign currency risk at the end of the reporting period is summarised below. All amounts are presented in GBP equivalent.

Group	**USD 2021 £**	**MGA 2021 £**	USD 2020 £	MGA 2020 £
Cash and cash equivalents	**90,236**	**66,118**	49,519	2,574
Trade & other receivables	**522,400**	**489,622**	354,214	95,255
Trade & other payables	**(151,353)**	**(301,816)**	(163,566)	(147,662)
Net Exposure	**461,283**	**253,924**	240,167	(49,833)

Company	**USD 2021 £**	USD 2020 £
Cash and cash equivalents	**3,619**	28,475
Loans to subsidiaries	**4,893,314**	2,353,713
Trade & other receivables	**522,400**	354,214
Trade & other payables	**(151,353)**	(163,566)
Net Exposure	**5,267,980**	2,572,836

Sensitivity Analysis

As shown in the table above, the Group is primarily exposed to changes in the GBP:USD & GBP:MGA exchange rates. The table below shows the impact in GBP on pre-tax profit and loss of a 10% increase/ decrease in the GBP to USD exchange rate, holding all other variables constant. Also shown is the impact of a 10% increase/decrease in the GBP to MGA exchange rate, being the other primary currency exposure.

2021	**Group £**	**Company £**
GBP:USD exchange rate increases by 10%	**532**	**53,071**
GBP:USD exchange rate decreases by 10%	**(592)**	**(64,864)**
GBP:MGA exchange rate increases by 10%	**(51,402)**	**-**
GBP:MGA exchange rate decreases by 10%	**57,183**	**-**

2020	Group £	Company £
GBP:USD exchange rate increases by 10%	934	22,055
GBP:USD exchange rate decreases by 10%	(1,031)	(45,453)
GBP:MGA exchange rate increases by 10%	(36,223)	-
GBP:MGA exchange rate decreases by 10%	40,034	-

23. Related party transactions

Tirupati Carbons and Chemical Pvt Limited (TCCPL) is an entity incorporated in India. The Company is connected to TCCPL in that both Shishir Poddar and Hemant Poddar were both directors and shareholders of TCCPL during the year. At year end, included within debtors was an amount of Nil (2020: £135,005) and revenue recorded for the year of £46,090 (2020: £101,659) from TCCPL.

Tirupati Speciality Graphite Private Limited (TSG) is an entity incorporated in India. The Company is connected to TSG in that both Shishir Poddar and Hemant Poddar were both directors and shareholders of TSG during the year. At year end, a net amount was receivable of £250,656 (2020 - £73,723) and revenue of £238,602 (2020 - £291,662) from TSG.

Haritmay Ventures LLP (HV) is an entity incorporated in India and engaged in manufacturing proprietary tailor made flake graphite processing machinery and equipment which the Company uses in its projects. The Company is connected to HV in that Shishir Poddar is partner and shareholder of HV during the year. At year end, a net amount was receivable of £72,552 (2020 - Nil) and revenue of Nil (2020 - Nil) from HV.

Optiva Securities Limited is an entity incorporated in the United Kingdom. The Company is a stock brokerage firm connected to the Company being the sole broker of the Company and Christian Gabriel St.John-Dennis one of the directors of the Company and holding a position with Optiva Securities Limited during the year. At year end, the Company incurred brokerage and consultancy fees, business development fees of £378,402 (2020- £50,894).

24. Events after the reporting period

In April 2021, the Company completed a placing of 11,111,111 ordinary shares of £0.025 each in the Company at a price of £0.90 per share with institutional and other investors to raise an aggregate gross amount of £10 million (the "Placing"). The net proceeds of the Placing will primarily be used to expedite and accelerate the Company's modular MTDP.

In September 2021 the Company commissioned its second flake graphite mining and processing facility at the Vatomina project increasing its installed capacity from 3,000 tpa to 12,000 tpa. This shall materially change the Company's trading position.

In June 2021, the Group decided to dissolve the intermediary company – Tirupati Resources Mauritius in Mauritius and bring the Madagascan subsidiaries directly under Tirupati Graphite Plc. This will reduce administrative costs and management time the Group needed to spend to keep this holding company floating.

In August 2021, the Company entered into a binding agreement subject to certain conditions precedent, for acquisition of Mozambique based graphite projects from ASX listed Battery Minerals Limited. The consideration payable by the Company on completion is a total sum of AU$ 12.5 million of which AU$ is to be settled in cash and AU$11.5 in ordinary shares of the Company. The Acquisition is subject, amongst other things, to the mandatory shareholder approval of Battery Minerals and approval of the transaction by the Ministry of Mineral Resources and Energy in Mozambique.