GRAVITA INDIA LIMITED

Gravita India Limited ("GIL" or the "**Issuer**" or our "**Company**") was originally incorporated as "*Weldtech Private Limited*" on August 4, 1992, under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur. The name of our Company was subsequently changed to "*Gravita India Private Limited*" on August 02, 1996 and a fresh certificate of Incorporation was issued by the Registrar of Companies, Rajasthan at Jaipur. Further, pursuant to a fresh certificate of Incorporation issued on August 13, 1996 by the Registrar of Companies, Rajasthan at Jaipur, the name was changed to "*Gravita India Limited*". For further details, see "*General Information*" on 300.

Registered Office: "Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India
Corporate Office: 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan, India
Tel No.: +91-141- 4057700; **Website**: www.gravitaindia.com; **Email**: Companysecretary@gravitaindia.com
Corporate Identification Number: L29308RJ1992PLC006870; **Contact Person:** Nitin Gupta, Company Secretary and Compliance Officer

Our Company is issuing 47,70,537 equity shares of face value of ₹ 2 each (the "**Equity Shares**") at a price of ₹ 2,096.20 per Equity Share, including a premium of ₹ 2,094.20 per Equity Share (the "**Issue Price**"), aggregating up to ₹ 1,000.00 crore (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 35

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND THE RULES MADE THEREUNDER (THE "COMPANIES ACT").

The equity shares of our Company are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on the NSE and the BSE as on December 18, 2024 were ₹ 2,407.65 and ₹ 2,406.00 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on December 16, 2024. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

Except for this Placement Document, the information on our Company's website or any website directly or indirectly linked to our Company's website or the website of the Book Running Lead Managers (as defined hereinafter) and their respective affiliates or agents does not form part of this Placement Document, and prospective investors should not rely on such information contained in, or available through, such websites for their investment in this Issue.

A copy of the Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Rajasthan at Jaipur ("**RoC**"), within the stipulated period as prescribed under the Companies Act and the PAS Rules. The Preliminary Placement Document and this Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). The Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to the Preliminary Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" ON PAGE 48, BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PLACEMENT DOCUMENT AND THE PRELIMINARY PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to the Preliminary Placement Document and this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "Issue Procedure" on page 245. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see *"**Selling Restrictions**"* on page 263. See *"**Transfer Restrictions**"* on page 270for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

This Placement Document is dated December 19, 2024

BOOK RUNNING LEAD MANAGERS

MOTILAL OSWAL INVESTMENT ADVISORS LIMITED	**KOTAK MAHINDRA CAPITAL COMPANY LIMITED**

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company, our Subsidiaries and Associate (collectively, our "**Group**") and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Group and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Group has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Group nor the Lead Managers have any obligation to update such information to a later date.

Motilal Oswal Investment Advisors Limited and Kotak Mahindra Capital Company Limited (the "**Book Running Lead Managers**") have made reasonable enquiries but have not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective shareholders, associates, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers and/or any of their shareholders, employees, counsel, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company, its Subsidiaries and Associate and the Issue of the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied either on the Book Running Lead Managers or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares. Prospective investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the Book Running Lead Managers. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by the securities authority or any other regulatory authority of any jurisdiction, including SEBI. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in certain jurisdictions.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, whose names are recorded by our Company prior to the invitation to subscribe to the Issue, in consultation with the Book Running Lead Manager, or its representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document.

The distribution of this Placement Document and the issue of the Equity Shares offered in the Issue may be restricted in certain countries or jurisdictions by applicable laws. As such, this Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any country or jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for in India, no action has been taken by our Company and the Book Running Lead Managers that would permit an offering of the Equity Shares or distribution of this Placement Document in any country or jurisdiction, where action for that purpose is required. The Equity Shares offered in the Issue, may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material issued in connection with the Issue may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For a description of the restrictions applicable to the offer and sale of the Equity Shares offered in the Issue in certain other jurisdictions, see "***Selling Restrictions***" on page 263. Further, see "***Transfer Restrictions***" on page 270 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination of our Company and the Equity Shares and the terms of the Issue, including merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the Book Running Lead Managers is not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each Bidder, investor, subscriber, offeree or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and rules made thereunder, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document.

The information on our Company's website, viz, www.gravitaindia.com or any website directly or indirectly linked to our Company or on the website of the Book Running Lead Managers or any of their respective affiliates, does not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

The Company does not undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and the QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 263 and 270, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or Subsidiaries or the Lead Managers, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information

REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the prospective investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed to sections set forth in "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 2, 263 and 270, respectively, and to have represented, warranted, acknowledged to and agreed with our Company and the Book Running Lead Managers, as follows:

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or Subsidiaries which is not set forth in this Placement Document;

- You are a "**Qualified Institutional Buyer**" ("**QIB**") as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

- If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory or statutory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

- You are aware that in terms of the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI.

- You will provide the information as required under the provisions of the Companies Act the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, see *"**Selling Restrictions**"* and *"**Transfer Restrictions**"* on pages 263 and 270, respectively;

- You are eligible to invest in and hold the Equity Shares of the Company in accordance with the FDI Policy, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign investments can only be made through the Government approval route, as prescribed in the FEMA Regulations;

- You are aware that the Preliminary Placement Document and this Placement Document has not been and will not be registered as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document has been filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

- You are aware that, our Company, the Book Running Lead Managers or any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Book Running Lead Managers. The Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company's present and future business strategies and environment in which our Company or Subsidiaries will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the Book Running Lead Managers or any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

- You are aware that in terms of the requirements of the Companies Act upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document and have read it in its entirety; including, in particular, "***Risk Factors***" on page 48;

- In making your investment decision, you have (i) relied on your own examination of the Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based on information as is publicly available, and in reliance of the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither our Company nor the Book Running Lead Managers nor any of its respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares. (A QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

- You agree that in terms of Section 42(7) of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act;

- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);

- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable law;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;

- Your aggregate equity shareholding in our Company, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation;

    (i) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

(ii) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the Book Running Lead Managers have entered into a Placement Agreement with our Company whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

- You understand the contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Managers or our Company or any other person, and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the Book Running Lead Managers and their affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" on page 263 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" on page 263;

- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Transfer Restrictions***" on page 270 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Transfer Restrictions***" on page 270;

- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;

- You are outside the United States, and you are subscribing for the Equity Shares in an "offshore transaction" as defined in and in compliance with Regulation S, and are not our Company's or the Book Running Lead Managers' affiliate or a person acting on behalf of such an affiliate;

- You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Jaipur, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- You agree to indemnify and hold our Company, the Book Running Lead Managers and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- You acknowledge that the Preliminary Placement Document this Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Managers;

- You represent that you are not an affiliate of our Company or the Book Running Lead Managers or a person acting on behalf of such affiliate;

- Our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Book Running Lead Managers; and

- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the BRLMs, which is registered as a category I FPIs may issue, subscribe to or otherwise deal in offshore derivate instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the financial action task force member country, such investment manager shall not be required to be registered as a category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as category I FPIs and they may be issued only to persons eligible for registration as category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified from the SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as category I FPIs and such instrument is being transferred only to person eligible for registration as category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. The Preliminary Placement Document and this Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these Investment Restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLMs and does not constitute any obligations of or claims on the BRLMs.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own

financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of any of the contents of the Preliminary Placement Document and this Placement Document;

(2) warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'bidder', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to Gravita India Limited and references to 'we', 'us' or 'our' are to our Company together with our Subsidiaries, unless the context otherwise indicates or implies or unless otherwise specified.

Currency and units of presentation

In this Placement Document, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All the numbers in this Placement Document have been presented in crores, unless stated otherwise. The amounts derived from financial statements included herein are presented in ₹ crores. Except as otherwise set out in this Placement Document, all figures set out in this Placement Document have been rounded off to the nearest whole number. However, all figures expressed in terms of percentage, have been rounded off to one or two decimal places, as applicable. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

In this Placement Document, references to "crores" or "crore" represents "10,000,000", "million" represents "0.1 crore" or "1,000,000", "Crore" represents "10,000,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

Page Numbers

Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

Financial Data and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

Our Company has published its Audited Consolidated Financial Statements for the Fiscal 2022, Fiscal 2023 and Fiscal 2024 in Indian Rupees in crores and the Unaudited Consolidated Financial Results as at and for the six months ended September 30, 2024 and September 30, 2023, in Indian Rupees in crores. As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Placement Document:

- audited consolidated financial statements of our Company and its Subsidiaries as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the Indian Accounting Standard (referred to as "**Ind AS**"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Consolidated Financial Statements**");

- unaudited consolidated financial results of our Company for the six months period ended September 30, 2024 and September 30, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act read with the relevant rules thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the SEBI Listing Regulations (the "**Unaudited Consolidated Financial Results**"). The Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results are referred to as, the "**Financial Information**").

The audited consolidated financial statements as at and for the Financial Year ended March 31, 2024, March 31, 2023, and March 31, 2022, have been audited by Walker Chandiok & Co LLP, our Statutory Auditors, on which they have issued audit reports dated April, 30, 2024, May 1, 2023 and May 19, 2022, respectively. Additionally, limited review of the Unaudited Consolidated Financial Results for the six-months period ended September 30, 2024 and September 30, 2023, has been carried out by Walker Chandiok & Co LLP, our Statutory Auditors, on which they have issued their limited review report dated October 21, 2024 and October 31, 2023, respectively. The Audited Consolidated Financial Statements should be read along with the respective audit reports, and the Unaudited Consolidated Financial Results should be read along with the corresponding review report. Further, our Unaudited Consolidated Financial Results are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials.

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information provided as at and for the Fiscal Year 2024, 2023 and 2022 included in this Placement Document have been derived from the Audited Consolidated Financial Statements. Further, except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information for the six months ended September 30, 2024, included in this Placement Document have been derived from the Unaudited Consolidated Financial Results.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Financial Information to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results included in this Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting standards or principles. Any reliance by persons not familiar with Indian accounting standards on the financial disclosures presented in this Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Please see, "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition*" on page 77.

The information on our Company's website shall not form a part of this Placement Document.

Non-GAAP financial measures

We have included certain non-GAAP financial measures relating to our operations and financial performance such as, "*EBITDA*" and "*interest coverage ratio*" (together, "**Non-GAAP Financial Measures**" and each, a "**Non-GAAP Financial Measure**") in this Placement Document. For details of these Non-GAAP Financial Measures, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations –Non-GAAP Measures*" on page 111. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the Company's businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, note that these Non-GAAP Financial Measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "*Financial Information*" on page 304.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled "*Global and India Lead, Aluminium and Plastic Recycling Market*" prepared by IMARC Services Private Limited dated December 2024 ("**IMARC Report**"). This information is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey.

The IMARC Report contains the following disclaimer:

"All contents and data of this publication, including forecasts, data analysis and opinion have been based on information and sources believed to be accurate and reliable at the time of publishing. International Market Analysis Research and Consulting makes no representation of warranty of any kind as to the accuracy or completeness of any Information provided. IMARC accepts no liability whatsoever for any loss or damage resulting from opinion, errors or inaccuracies if any found in this publication"

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Placement Document has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete, reliable or accurate.*" on page 72.

Further, the calculation of certain statistical and/or financial information / ratios specified in the sections titled "*Business*", "*Risk Factors*", "*Management's Discussions and Analysis of Results of Operations and Financial Condition*" and otherwise in this Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the IMARC Report. Data from these sources may also not be comparable. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information.

Our Company takes responsibility for accurately reproducing such information but accepts no further responsibility in respect of such information and data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by an independent source and neither our Company nor the Book Running Lead Managers can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute ‘forward-looking statements’. The prospective investors can generally identify forward-looking statements by terminology such as ‘"aim’", ‘"anticipate’", ‘"believe’", ‘"continue’", ‘"can’", ‘"could’ " ‘"estimate"’, ‘"expect’", ‘goal’, ‘"intend’", ‘"may’", ‘"will’", ‘"plan’", ‘"objective’", ‘"potential’", ‘"project’", ‘"pursue’", ‘“seek to’”, ‘"shall’", ‘“should’”, ‘“will’”, ‘“would’”, ‘"will likely result’", ‘"will continue’", ‘will pursue’, ‘"will achieve’", ‘"is likely’" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by us or any third party), are projections and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others include:

- Our dependency on a limited number of customers for significant portions of our revenues. The loss of one or more of our significant customers or significant reduction in production and sales of, or demand for our production from our significant customers may adversely affect our business, financial condition, result of operations and cash flows;

- A significant portion of our revenue is derived from the recycling of lead and aluminium metal and there is no guarantee that our customers will place new purchase orders with us;

- The shutdown or slowdown of operations at any of our recycling facilities, underutilisation of our manufacturing capacities or ability to adapt to technological changes may have a material adverse effect on our financial condition and results of operations;

- Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations;

- Export destination countries may impose varying duties on our products or enter into free trade agreements with countries other than India;

- Our turnkey services expose our technical know-how to our competitors which may have an adverse effect on our business, cash flows, financial condition and results of operations;

- Our inability to accurately forecast demand for our products, and accordingly manage our inventory or plan capacity increases, may have an adverse effect on our business, cash flows, financial condition and results of operations.

- Our dependency on lead segment revenue could impact our financial performance and concentration from certain value-added products may adversely impact our business if demand declines.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Business*" and on pages 48, 111, 151 and 206, respectively.

The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor any of the Book Running Lead Managers nor any of their respective affiliates undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company with limited liability incorporated under the laws of India. All of our Directors and Key Managerial Personnel named herein are residents of India and majority of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

(i) where the judgment has not been pronounced by a court of competent jurisdiction;

(ii) where the judgment has not been given on the merits of the case;

(iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(iv) where the proceedings in which the judgment was obtained were opposed to natural justice;

(v) where the judgment has been obtained by fraud; and

(vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for or as of the end of the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$) for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the websites of RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(₹ per US$)

	Period End(1)	**Average(2)**	**High(3)**	**Low(4)**
Fiscal Ended:				
March 31, 2024	83.37	82.79	83.40	81.65
March 31, 2023	82.22	80.39	83.20	75.39
March 31, 2022	75.81	74.51	76.92	72.48
Months ended:				
November 30, 2024	84.50	84.36	84.50	84.11
October 31, 2024	84.08	84.03	84.08	83.81
September 30, 2024	83.79	83.81	83.98	83.49
August 31, 2024	83.87	83.90	83.97	83.73
July 31, 2024	83.74	83.59	83.74	83.40
June 30, 2024	83.45	83.47	83.59	83.07

Source: www.rbi.org.in and www.fbil.org.in, as applicable.

Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places. The RBI reference rates are rounded off to two decimal places.

Notes:
1. *The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.*
2. *Average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "*Statement of Possible Special Tax Benefits*", "*Industry Overview*", "*Financial Statements*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Legal Proceedings*" beginning on pages 282, 151, 304, 111 and 295, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
"Issuer", "GIL", "Company", "Our Company", "the Company"	Unless the context otherwise indicates or implies, refers to Gravita India Limited, a limited company incorporated under the Companies Act, 1956 having its registered office at "Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil - Phagi Jaipur – 303 904, Rajasthan, India and corporate office at 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan, India.
"we", "us" or "our" or "Group"	Unless the context otherwise indicates or implies, refers to (i) for any period prior to March 31, 2024, is a reference to our Company, its Associate together with our Subsidiaries which existed for the relevant year/ period covered by the Audited Consolidated Financial Statements on a consolidated basis, and (ii) for any period on or after August 12, 2022, is a reference to our Company together with our Subsidiaries on consolidated basis.

Company related terms

Term	Description
Articles or Articles of Association	Articles of association of our Company, as amended from time to time.
Associate	The erstwhile associate of our Company, namely, Pearl Landcon Private Limited which was voluntary struck off on August 12, 2022.
Audit Committee	The audit committee of our Board of Directors.
Audited Consolidated Financial Statements	Collectively, the audited consolidated financial statements of our Company and its Subsidiaries and its Associates as of and for the years ended March 31, 2024, 2023 and 2022 which have been prepared in accordance with the Ind AS, as specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 to the extent applicable, each comprising of the consolidated balance sheet, consolidated statement of profit and loss, including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the years then ended, and notes to the respective consolidated financial statements.
Auditors / Statutory Auditors	Statutory auditors of our Company namely Walker Chandiok & Co. LLP, (Firm Registration No. 001076N/N500013).
Board of Directors / Board	The board of directors of our Company or any duly constituted committee thereof.
Chairman and Managing Director / CMD	The Chairman and Managing Director of our Company, being Rajat Agrawal.

Term	Description
Chief Financial Officer	The chief financial officer of our Company, being Sunil Kansal.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Nitin Gupta.
Corporate Office	The corporate office of our Company located at 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan, India.
CSR Committee	The corporate social responsibility constituted by our Board of Directors.
Director(s)	The director(s) of our Company presently on our Board.
Equity Share(s)	The equity shares of our Company of face value of ₹ 2 each.
Financial Statements	Collectively, Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results.
Gravita ESOP 2011	The Gravita Stock Appreciation Rights Scheme 2011.
Gravita SAR 2017	The Gravita Stock Appreciation Rights Scheme 2017.
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as further described in "*Board of Directors and Senior Management*" on page 230.
Independent Director(s)	The independent Director(s) of our Company as per section 2(47) of the Companies Act and Regulation 16(1)(b) of the SEBI Listing Regulations, being Ashok Jain, Satish Kumar Agrawal, and Chanchal Chadha Phadnis.
Material Subsidiary	The material subsidiaries, as per SEBI Listing Regulations, of our Company, namely, Gravita Netherlands BV and Recyclers Ghana Ltd.
Memorandum or Memorandum of Association	Memorandum of association of our Company, as amended from time to time.
Non-Executive Directors	A non-executive Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details, see "*Board of Directors and Senior Management Personnel*" on page 230.
Nomination and Remuneration Committee	The nomination and remuneration committee constituted by our Board, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and as described in "*Board of Directors and Senior Management*" on page 230.
Promoter(s)	Rajat Agrawal, Mahavir Prasad Agarwal, and Agrawal Family Private Trust.
Promoter Group	The persons and entities constituting the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered Office	The registered office of our Company located at "Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India
"Registrar of Companies"/ "RoC"	The Registrar of Companies, Rajasthan at Jaipur.
Risk Management Committee	The risk management committee constituted by our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and as described in "*Board of Directors and Senior Management*" on page 230.
Senior Management	Senior management of our Company as determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "*Board of Directors and Senior Management*" on page 230.
Shareholder(s)	The holders of the Equity Shares of our Company, from time to time.
Subsidiaries	The subsidiaries and stepdown subsidiaries of our Company, namely: Subsidiaries: 1. Gravita Global Pte, Singapore 2. Gravita Ghana Limited, Ghana 3. Gravita Infotech Limited, India 4. Noble Build Estate Private Limited, India 5. M/s Gravita Metal Inc., India 6. M/s Recycling Infotech LLP, India

Term	Description
	Stepdown Subsidiaries: 1. Gravita Mozambique LDA, Mozambique 2. Gravita Senegal SAU, Senegal 3. Navam Lanka Ltd, Sri Lanka 4. Gravita Tanzania Limited, Tanzania 5. Recyclers Ghana Limited, Ghana 6. Mozambique Recyclers LDA, Mozambique 7. Gravita Togo SAU, Togo 8. Gravita Netherlands B.V., Netherlands 9. Gravita USA Inc, USA 10. Gravita Ventures Limited, Tanzania 11. M/s Gravita Infotech, India 12. Green Recyclers Mozambique LDA, Mozambique 13. Gravita Gulf DMCC, United Arab Emirates 14. Recyclers South Africa (PTY) Ltd., South Africa 15. Gravita Dominicana S.A.S., Dominicana Republic 16. Green Recyclers LLC, Oman
Unaudited Consolidated Financial Results	The unaudited consolidated financial results of our Company for the six months ended September 30, 2024 and September 30, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act read with the relevant rules thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the SEBI Listing Regulations.

Issue related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the BRLMs and in compliance with Chapter VI of the SEBI ICDR Regulations.
Allot/ Allotment/ Allotted	Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue.
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue.
Application Amount	The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form.
Application Form	The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period. An indicative format of such form is set forth in "Sample Application Form" beginning on page 558.
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly.
Bid/ Issue Closing Date	December 19, 2024, the date after which our Company (or the BRLMs on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount.

Bid/ Issue Opening Date	December 16, 2024, the date on which our Company (or the BRLMs on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount.
Bid/ Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof.
Bidder(s)	An Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form.
Book Running Lead Managers/ BRLMs	Motilal Oswal Investment Advisors Limited and Kotak Mahindra Capital Company Limited.
CAN/ Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders.
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about December 19, 2024.
Designated Date	The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee.
Eligible FPIs	FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices.
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law. In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.
Escrow Agent/ Escrow Bank	RBL Bank Limited
Escrow Agreement	Agreement dated December 16, 2024 entered into amongst our Company, the Escrow Agent and the BRLMs for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Account	Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "*Gravita India Limited QIP Escrow Account*", subject to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form.
Floor Price	The floor price of ₹ 2,206.49 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company offered a discount of 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed by way of postal ballot on November 22, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue	The offer, issue and allotment of 47,70,537 Equity Shares at a price of ₹ 2,096.20 per Equity Share, including a premium of ₹ 2,094.20 per Equity Share, aggregating ₹ 1,000.00 crores to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder.
Issue Price	₹ 2,096.20 per Equity Share
Issue Size	The issue of 47,70,537 Equity Shares aggregating to ₹ 1,000.00 crore.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.
Placement Agreement	Agreement dated December 16, 2024 entered into amongst our Company and the BRLMs.

Placement Document	This placement document dated December 19, 2024 issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
Preliminary Placement Document	The preliminary placement document cum application form dated December 16, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue.
Refund Intimation	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts.
Relevant Date	December 16, 2024, which is the date of the meeting of the Fund Raising Committee of the Board, a committee duly authorised by our Board, deciding to open the Issue.
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue.
Wilful Defaulter or Fraudulent Borrower	Means a person or an issuer who or which is categorized as wilful defaulter or a fraudulent borrower by any bank or financial institutions (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable.

Technical and Industry Related Terms

Terms	Description
GDP	Gross Domestic Product
EPR	Extended Producer Responsibility
CAGR	Compounded Annual Growth Rate
GCC	Gulf Cooperation Council
EV	Electric Vehicles
FY	Financial Year
SLI	Starting, Lighting And Ignition
IT	Information Technology
MTPA	Million Tonnes Per Annum
MCX	Multi Commodity Exchange
PCR	Post-Consumer Recycled-Resin
PET Recycling	Polyethylene Terephthalate
PRSI	Plastics Recycling Show India
HDPE	High Density Polyethylene Granules
RSWM Ltd	Rajasthan Spinning and Weaving Mills Limited.
AI	Artificial Intelligence
NGO	Non-Governmental Organisation
SWOT	Strengths, Weakness, Opportunities and Threats
CPCB	Central Pollution Control Board
PWM	Plastic Waste Management
MSME	Micro, Small and Medium Enterprises
MAT	Minimum Alternate Tax

Terms	Description
rPET	Recycled Polyethylene Terephthalate
VFA	Volatile Fatty Acids
SC/ST	Scheduled Castes/ Scheduled Tribes
ELV	End Of Life Vehicle
PLI	Production Linked Incentive
FTA	Free Trade Agreement
BIS	Bureau Of Indian Standard
MoEFCC	Ministry of Environment, Forest and Climate Change
BCD	Basic Customs Duty
CRGO	Cold Rolled Grain Oriented Steel
GST	Goods and Services Tax
RCM	Reverse Charge Mechanism
TDS	Tax Deducted at Source
GST	Goods and Services Tax
MoRTH	Ministry of Road Transport and Highways
NITI Aayog	National Institution for Transforming India Aayog
OEM	Original Equipment Manufacturer
PVC	Polyvinyl Chloride
CMR	Century Metal Recycling
CNFC	Century NF Castings
JRRPL	Jain Resources Recycling Private Limited
JRPL	Jain Recycling Private Limited
rCB	Recovered Carbon Black
LIB	Lithium Ion Battery
SSAB	Svenskt Stål AB
HYBRIT	Hydrogen Breakthrough Ironmaking Technology
LKAB	Luossavaara-Kiirunavaara Aktiebolag
US EPA	United States Environmental Protection Agency
ISCC	International Sustainability and Carbon Certification
R&D	Research and Development
CEAT	Cavi Elettrici e Affini Torino
TVS Tyres	Thirukkurungudi Vengaram Sundaram Tyres
PRAI	Petroleum Re-Refiners' Association of India
ITC	Indian Tobacco Company
ITC's "WOW"	Well-being Out of Waste
MT	Million Tonnes
ISO	International Organization for Standardization
LDPE	Low Density Polyethylene
EC	Environmental Compensation
MRAI	Material Recycling Association of India
BMW Rules	Bio-medical waste (Management and Handling) Rules
SPCB	State Pollution Control Board
PCC	Pyridinium Chlorochromate
PRO	Producer Responsibility Organisations
IOT	Internet of Things
NSP 2017	National Steel Policy 2017
Electric Arc Furnace	EAF
Induction Furnace	IF
ELV	End-of-Life Vehicles
OHSAS	Occupational Health and Safety Assessment Series
PCB	Printed Circuit Board
COD	Certificate of Destruction
SCs	Scrap Processing Centres
RIOS certification	Recycling Industry Operating Standard
EAF/IF	Electric Arc Furnace/ Induction Furnace
BF/BOF	Blast Furnace/Basic Oxygen Furnace
PWMR	Plastic Waste Management Rules

Terms	Description
EWMR	E-Waste (Management) Rules
SDGs	Sustainable Development Goals
RIL	Reliance Industries Limited
ISCC-Plus	International Sustainability and Carbon Certification Plus
PS	Polystyrene
PA	Nylon
PP	Polypropylene
SCS	Sanjeevak Carbonisation Systems
XRF	X-Ray Fluorescence
WEEE	Waste Electrical and Electronic Equipment
UAE	United Arab Emirates
MRF	Material Recovery Facilities
GEPP	GST e-invoice preparing and printing tool
IMARC	International Market Analysis Research and Consulting
MSTC Limited	Metal Scrap Trade Corporation Limited
rPP	Recycled Polypropylene
INR	Indian Rupee
kWH	Kilowatt-hour

Conventional and General Terms/Abbreviations

Terms	Description
₹ / Rs. / Re./ Rupees / INR	Indian Rupee
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act.
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the rules made thereunder.
Companies Act / Companies Act, 2013	Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified.
Consolidated FDI Policy	Consolidated FDI Policy issued by the DPIIT bearing file number 5(2)/2020-FDI Policy dated and with effect from October 15, 2020
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended.
Depository Participant	A depository participant as defined under the Depositories Act.
DIN	Director Identification Number
EBIT	Earnings Before Interest and Tax
EGM	Extraordinary General Meeting
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ESG	Environment, social and governance
EPS	Earnings per share
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, as amended and the Regulations issued thereunder.
FEMA Non-Debt Rules/ FEMA Rules	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder.

Terms	Description
“Financial Year” / “Fiscal Year” / “Fiscal” / “FY”	Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year.
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
FPI/ Foreign Portfolio Investor(s)	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended.
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
“GoI” / “Government”	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules.
Indian GAAP	Generally accepted accounting principles in India.
Income Tax Act / IT Act	The Income tax Act, 1961
“Lakh” / “Lac”	Lakhs
MCA	Ministry of Corporate Affairs, GoI
Mn / mn	Million
N.A. / NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI.
“Non-Resident Indian(s)” / “NRI”	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended.
NRO	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules,2014, as amended.
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
S&P CNX NIFTY	Regional stock market index endorsed by Standard & Poor's which is composed of 50 of the largest and most liquid stocks found on the National Stock Exchange of India.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended

Terms	Description
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SENSEX	Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies
STT	Securities Transaction Tax
TDS	Tax deducted at source
"USA" or "U.S." or "United States"	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America.
$/ U.S.$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America.
U.S. Securities Act / Securities Act	The United States Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

SUMMARY OF BUSINESS

Established in 1992, we are a prominent player in the global recycling industry, specializing in the recycling of lead, aluminium, plastic and rubber along with Turnkey recycling technology solutions, operates multiple recycling plants across - domestically and internationally *(Source IMARC Report)*. We are a leading global non-ferrous secondary metal as well as India’s largest secondary lead metal producing company. *(Source IMARC Report)* Over the years, we have endeavoured to set industry standards to promote a green circular economy through innovation, technology and quality in relation to the quality across lead, aluminium, plastic products and turnkey solutions. As on September 30, 2024, we operate across 4 recycling verticals which are, Lead, Aluminium, Plastic and Rubber having 11 recycling plants with over 1,700 global touch points and 31 own scrap yards. In addition to above, we provide turnkey solutions for lead, aluminium, plastic, copper and rubber recycling. Our comprehensive turnkey solutions provide efficient and convenient recycling processes and solutions for recycling lead, aluminium, plastic, copper, and rubber.

We possess specialist expertise in the recycling of used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap *(Source IMARC Report)*. Our extensive product portfolio includes customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, customized aluminium alloys, aluminium ingots, plastic granules, and rubber. Our lead and lead products are used in a wide range of industries, supporting several value-added and specialist applications, primarily in the infrastructure and automobile industries. Other industrial uses of lead in India include its use in automotive batteries, construction, medical equipment, chemicals and in the oil and gas industry. Our aluminium products are mainly used in automotive, beverage cans and consumer electronics industries and our plastic products are mainly used in automotive, furniture, packaging industries amongst other segments. Our operations are spread globally, including, Africa (Ghana, Senegal, Mozambique, Togo and Tanzania) and Asia (India and Sri Lanka). Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas with more than 250,000 MT scrap collection capacity.

Our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications. The following table sets forth the break up of revenue from value added products and % of revenue from operations for the periods indicated:

Value added Products	Fiscal 2022	Fiscal 2023	Fiscal 2024	Six-month period ended September 30, 2024 (unaudited)
Lead (₹ in crores)	589.00	825.31	1,125.96	734.45
Aluminium (₹ in crores)	174.00	256.50	204.53	90.34
Plastic (₹ in crores)	131.38	104.50	78.02	39.84
Total (₹ in crores)	**894.38**	**1,186.31**	**1,408.51**	**864.63**
Value added Products % of revenue from operations	40.36%	42.36%	44.56%	47.11%

We offer comprehensive turnkey solutions for lead battery recycling, leveraging our deep-seated and longstanding experience in the business and in-house Lead battery recycling technology along with other segments such as aluminium, plastic, copper, and rubber. We also offer technical consultancy services for recycling. We have executed more than 70 turnkey projects globally.

Our customer base of more than 325 customers is located in Asia, the Middle East, Europe and the Americas, spanning across 30+ countries. Our domestic operation serves more than 200 customers located in 20 states. We have delivered more than 169,000 MT of recycled products to our diversified global customer network.

We operate through our Five recycling facilities in India, two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir. We have seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo.

We provide a wide range of services including technical consultation for lead acid battery recycling and smelting, advanced PLC based control and monitoring systems, and flexible annual maintenance contracts. With a track record of executing over 70 recycling projects worldwide (Qatar, UAE, Saudi Arabia, Poland and Chile), we have established ourselves as a trusted provider of turnkey solutions. We also offer a comprehensive range of chemicals, consumables, and spare parts essential for lead recycling plants. We are a one-stop solutions to customers in aluminium recycling domain.

We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished products conform to the exact requirement of our customers. As on the date of this Placement Document, certain of our recycling facilities have accreditations such as our two plants at Phagi in Rajasthan and Chittoor in Andhra Pradesh are International Lead Association approved. We are committed to providing quality products to our customers and in this relation hold various quality accreditations including ISO 9001:2015 for quality management system, ISO 14001:2015 for environment management system and ISO 45001:2018 for health and safety management system. We are also affiliated as a member with Federation of Indian Export Organisation, Institute of Scrap Recycling Inc. and Confederation of Indian Industries (CII).

Our Company generated a revenue of ₹ 2,780.77 crores and ₹ 1,669.34 crores from lead which accounted for 87.98% and 90.96% of our revenue from operations (gross) for the year ended March 31, 2024 and the six month period ended September 30, 2024, respectively. One of our major customers to whom we sell our lead products is Amara Raja Batteries Limited..

We strongly believe in continuous innovation through process improvement and have thus made progress in these fields, especially in the realm of sustainable recycling, to ensure that green technologies are developed and deployed across countries, as manifested in our 70+ turnkey projects operating successfully both in developing and developed economies.

Our Promoter Rajat Agrawal, who is our Chairman and Managing Director, has over 30 years of experience in the lead recycling industry. With his industry, operational, and financial experience, we have been at the core of the expansion of our operations from the first recycling facility of our Company in Jaipur, Rajasthan in 1994 to eleven recycling facilities as on the date of this Placement Document. We also have qualified and experienced Key Managerial Personnel and Senior Management Personnel that has demonstrated its ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships. As of September 30, 2024, our permanent employee base comprises of 3,230 personnel across our operations. In addition to our regular employees, we also engage technical consultants from time to time to seek advice on process control and ways of improving the quality of our products.

The following table sets forth certain information relating to certain key financial metrics on a consolidated basis as of the dates and for the periods indicated:

(₹ in crores, except as otherwise stated)

Consolidated performance	Six-month period ended September 30, 2024 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	1,835.28	3,160.75	2,800.60	2,215.87
EBITDA (refer the table below for EBITDA computation)	151.16	283.55	197.61	210.91
EBITDA Margin %	8.24%	8.97%	7.06%	9.52%
PAT (attributable to owners of holding company)	139.33	239.19	201.10	139.39
Profit After Tax Margin %	7.59%	7.57%	7.18%	6.29%
Production volume (MT)	98,647	1,67,780	1,51,827	1,36,906
Capacity Utilization %	67.41%	57.68%	66.67%	66.81%

EBITDA Computation

Period	Six-month period ended September 30, 2024 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit for the period / year (I)	139.92	242.28	204.09	148.45
Add: Tax expense (II)	19.86	31.87	23.50	16.19
Profit before tax (III=I+II)	**159.78**	**274.15**	**227.59**	**164.64**
Add: Finance cost (IV)	24.91	49.22	39.14	33.55
Add: Depreciation (V)	13.70	37.99	23.96	20.56
Less: Other income (VI)	47.23	77.81	93.08	7.84
EBITDA (III+IV+V-VI)	**151.16**	**283.55**	**197.61**	**210.91**

SUMMARY OF THE ISSUE

The following is a general summary of the term of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including under the sections "*Risk Factors*", "*Use of Proceeds*", "*Placement*", "*Issue Procedure*" and "*Description of the Equity Shares*" beginning on pages 48, 89, 260, 245 and 276, respectively.

Issuer	Gravita India Limited
Face Value	₹ 2 per Equity Share
Issue Price	₹ 2096.20 per Equity Share (including a premium of ₹ 2,094.20 per Equity Share)
Floor Price	The floor price calculated on the basis of Regulation 176 of Chapter VI of the SEBI ICDR Regulations is ₹ 2,206.49 per Equity Share. Our Company offered a discount of 5% on the Floor Price, in accordance with the approval of the Shareholders accorded by way of a special resolution through postal ballot passed on November 22, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	The Issue of 47,70,537 Equity Shares aggregating to an amount ₹ 1,000.00 crore. A minimum of 10 % of the Issue Size i.e. 4,77,054 Equity Shares was made available for Allocation to Mutual Funds only, and balance 42,93,483 Equity Shares was made available for Allocation to all Eligible QIBs, including Mutual Funds.
Date of Board Resolution authorizing the Issue	October 4, 2024
Date of Shareholders' Resolution authorizing the Issue	November 22, 2024
Eligible Investors	Eligible QIBs, to whom the Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. See "*Issue Procedure – Eligible QIBs*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 250, 263 and 270, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form was delivered shall be determined by the Book Running Lead Managers in consultation with the Company, at their sole discretion.
Depositories	NSDL and CDSL
Dividend	Please see section "*Description of the Equity Shares*", "*Dividends*" and "*Statement of Possible Special Tax Benefits*" on pages 276, 108 and 282, respectively of this Placement Document.
Issue procedure	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 245.
Indian Taxation	See "*Statement of Possible Tax Benefits*" beginning on page 282.
Equity Shares issued and outstanding immediately prior to the Issue	6,90,37,914 Equity Shares of ₹ 2 each
Equity Shares issued and outstanding immediately after the Issue	7,38,08,451 Equity Shares of ₹ 2 each
Listing and trading	Our Company has obtained in-principle approvals each dated December 16, 2024, from the Stock Exchanges in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing of the Equity Shares to be issued pursuant to the Issue, from NSE and BSE, respectively. Our Company

	shall make an application to each of the Stock Exchanges after Allotment to obtain listing and trading approvals for the Equity Shares
Lock-in	For details in relation to lock-up, see "*Placement and Lock-Up*" on page 260 for a description of restrictions on our Company and Promoters in relation to the Equity Shares
Proposed Allottees	See "*Proposed Allottees in the Issue*" on page 302 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company.
Transferability Restrictions	The Equity Shares Allotted pursuant to the Issue shall not be sold for a period of one (1) year from the date of Allotment, except on the Stock Exchanges. For details in relation to other transfer restrictions, see "*Transfer Restrictions*" beginning on page 270
Use of Proceeds	The gross proceeds from the Issue are ₹ 1,000.00 crores. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be for an amount up to ₹ 981.42 crores. See "*Use of Proceeds*" beginning on page 89 for additional information
Risk Factors	Please see section "*Risk Factors*" on page 48 for a discussion of risks you should consider before investing in the Equity Shares.
Closing Date	The Allotment of the Equity Shares, expected to be made on or about December 19, 2024.
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held. For further details, please see "*Dividend Policy*" and "*Description of the Equity Shares*" on pages 108 and 276, respectively.
Security Codes/ Symbols for the Equity Shares	ISIN: INE024L01027 BSE Code: 533282 NSE Symbol: GRAVITA
Voting Rights	Please see section "*Description of the Equity Shares – Voting Rights*" beginning on page 276

SUMMARY FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements", on pages 111 and 304, respectively. The summary financial information set forth below is derived from and should be read in conjunction with the Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results prepared in accordance with the Ind AS and Companies Act, 2013 and other accounting principles generally accepted in India. Further, the financial information contained below (i) as at and for the year ended March 31, 2023 is derived from the comparative financial information included for Fiscal 2023 in Fiscal 2024 Audited Financial Statements; (ii) as at and for the year ended March 31, 2022 is derived from the comparative financial information included for Fiscal 2022 in Fiscal 2023 Audited Financial Statements; and (iii) for the six months period ended September 30, 2024 is derived from Unaudited Consolidated Results; and (iv) for the six months period ended September 30, 2023 is derived from the comparative financial information included in the Unaudited Consolidated Financial Results.

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SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES

(₹ in crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
ASSETS			
Non-Current assets			
Property, plant and equipment	342.11	266.44	183.65
Capital work-in-progress	42.76	45.50	42.49
Right-of-use assets	6.25	6.75	7.34
Intangible assets	0.14	0.13	0.27
Investments in Associate*	-	-	0.00
Financial Assets			
Investments*	0.00	0.00	0.00
Other financial assets	9.28	8.23	3.10
Deferred tax assets (net)	12.16	6.40	-
Non-current tax assets (net)	5.32	0.36	0.23
Other non-current assets	8.13	7.89	8.22
Total Non-Current Assets	**426.15**	**341.70**	**245.30**
Current assets			
Inventories	674.63	596.47	513.45
Financial Assets			
Investments	16.50	1.11	-
Trade Receivables	264.33	137.02	109.65
Cash and Cash Equivalents	35.81	30.37	23.42
Bank Balances other than cash and cash equivalents	62.97	7.75	9.10
Loans	-	0.50	1.84
Other Financial Assets	84.04	47.05	20.00
Current tax assets	-	-	1.41
Other current assets	37.92	43.23	73.33
Total Current Assets	**1,176.20**	**863.50**	**752.20**
TOTAL ASSETS	**1,602.35**	**1,205.20**	**997.50**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13.81	13.81	13.81
Other Equity	823.59	575.12	373.04
Equity attributable to owners of the Holding Company	**837.40**	**588.93**	**386.85**
Non-Controlling interests	13.17	12.77	14.00
Total Equity	850.57	601.70	400.85
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	249.21	90.39	109.53
Lease liabilities	1.78	2.53	3.15
Other Financial Liabilities	-	11.63	4.73
Provisions	9.96	6.53	9.08
Deferred tax liabilities (net)	0.24	0.30	1.50
Other non-current liabilities	0.12	0.14	0.16
Total non-current liabilities	**261.31**	**111.52**	**128.15**
Current liabilities			
Financial Liabilities			
Borrowings	295.92	254.07	277.89
Lease liabilities	0.68	0.73	0.55
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	3.18	2.72	1.08

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total outstanding dues of creditors other than micro and small enterprises	64.32	86.50	76.14
Other Financial Liabilities	103.05	115.38	87.00
Other Current Liabilities	17.12	18.87	15.64
Provisions	1.07	0.72	0.92
Current tax liabilities (net)	5.13	12.99	9.28
Total Current Liabilities	**490.47**	**491.98**	**468.50**
Total liabilities	**751.78**	**603.50**	**596.65**
TOTAL EQUITY AND LIABILITIES	**1,602.35**	**1,205.20**	**997.50**

* *Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00.*

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	3,160.75	2,800.60	2,215.87
Other income	77.81	93.08	7.84
Total Income (I)	**3,238.56**	**2,893.68**	**2,223.71**
Expenses			
Cost of Material consumed	2,559.24	2,295.42	1,753.92
Purchase of stock-in-trade	13.05	20.77	44.20
Changes in inventories of finished goods, work-in progress and stock-in-trade	(11.10)	(34.17)	(54.59)
Employee benefit expense	131.24	133.56	102.75
Finance Costs	49.22	39.14	33.55
Depreciation and amortisation expense	37.99	23.96	20.56
Other expenses	184.77	187.41	158.68
Total Expenses (II)	**2,964.41**	**2,666.09**	**2,059.07**
Profit before tax and share of (loss) in associate (I-II)	**274.15**	**227.59**	**164.64**
Share of (Loss) of Associate*	**-**	**(0.00)**	**(0.00)**
Profit before tax (III+IV)	**274.15**	**227.59**	**164.64**
Tax expense			
Current tax (including earlier years)	36.76	30.53	16.18
Deferred tax credit	(4.89)	(7.03)	0.01
Total tax expense	**31.87**	**23.50**	**16.19**
Profit for the year (V-VI)	**242.28**	**204.09**	**148.45**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities	(1.69)	(0.80)	0.05
Income tax on above items	0.59	0.28	(0.02)
Items that will be reclassified to profit or loss			
Foreign current translation reserve	(9.69)	0.18	(2.38)
Change in fair value of hedging instruments*	(0.98)	0.00	(0.31)
Income tax on above items*	0.34	(0.00)	0.94
Total other comprehensive loss, net of tax	**(11.43)**	**(0.34)**	**(1.72)**
Total comprehensive income for the year (VII+VIII)	**230.85**	**203.75**	**146.73**
Profit for the year attributable to			
Owners of the Holding Company	239.19	201.10	139.39
Non-controlling interests	3.09	2.99	9.06
Other comprehensive (loss)/ income for the year attributable to			
Owners of the Holding company	(12.45)	(0.44)	2.36
Non-Controlling interests	1.02	0.10	(4.08)
Total comprehensive income for the year attributable to			
Owner of the Holding company	226.74	200.66	141.75
Non-controlling interests	4.11	3.09	4.98
Earnings per share			
Basic (Rs)	34.88	29.72	20.60
Diluted (Rs)	34.88	29.72	20.60

** Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".*

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT

(₹ in crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow From Operating Activities			
Profit before tax	274.15	227.59	164.64
Adjustments for:			
Depreciation and amortisation expense	37.99	23.96	20.56
Loss on sale/discard of property, plant and equipment (net)	1.22	0.06	2.13
Share of loss of associates*	-	0.00	0.00
Finance Cost	49.22	39.14	33.55
Incentive Income	-	(10.90)	(0.04)
Interest Income on bank deposits	(8.13)	(0.38)	(0.40)
Income from mutual funds carried at fair value through profit and loss	(0.08)	(0.01)	--
Interest income on others	(2.71)	(0.36)	(0.48)
Insurance claim received	(1.59)	(1.62)	-
Liabilities /provisions no longer required written back	(15.81)	(0.38)	(0.81)
Allowance for expected credit loss on financial assets (including write-off)	2.44	9.60	2.56
Unrealised (gain) / loss on financial assets measured at fair value through profit and loss	(0.29)	0.26	4.70
Unrealised loss on restatement of financial assets and financial liabilities	-	1.12	-
Employee stock appreciation rights expense	-	6.90	4.73
Loss by natural calamities	2.02	1.66	-
Net (gain)/ loss on foreign currency translation	(1.53)	4.16	-
Loss on sale of investment	-	4.50	-
Investment in associate written-off	-	0.01	
Operating Profit before working capital changes	**336.90**	**305.31**	**231.15**
Changes in working capital:			
Adjustments for changes in operating assets:			
Inventories	(53.41)	(87.52)	(155.75)
Trade receivables	(129.75)	(39.71)	(51.36)
Other current and non-current assets	5.46	6.86	(7.83)
Other current and non-current financial assets	(37.70)	(11.77)	3.03
Adjustments for changes in operating liabilities			
Trade payables	(21.72)	35.85	(59.84)
Other current and non-current financial liabilities	(10.42)	3.58	58.51
Other current and non-current liabilities	(1.16)	14.10	1.87
Provisions	3.78	(3.54)	5.10
Cash generated from operations	**91.98**	**223.16**	**24.87**
Income tax paid (net of refunds)	(49.58)	(23.50)	(14.87)
Net cash flow generated from operating activities (A)	**42.40**	**199.66**	**10.00**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
B. Cash Flow from Investing Activities			
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(98.18)	(107.76)	(72.80)
Proceeds from sale of property, plant and equipment	0.14	1.41	2.60
Interest received	10.84	0.74	0.88
Movement in bank balances not considered as cash and cash equivalents (net)	(55.22)	1.36	(0.56)
Purchase of investments	(15.39)	(1.10)	-
Net Cash (used) in investing activities (B)	**(157.81)**	**(105.35)**	**(69.88)**
C. Cash Flow from Financing Activities			
Proceeds from non-current borrowings	240.75	20.98	103.69
Repayment of non-current borrowings	(81.93)	(40.11)	(44.78)
Proceeds from/repayment of current borrowings (net)	40.87	(24.21)	72.65
Payment of lease liabilities	(1.09)	(0.83)	(2.19)
Finance cost paid	(48.24)	(38.87)	(33.56)
Dividends paid	(29.51)	(4.32)	(23.83)
Net Cash (used) in financing activities (C)	**120.85**	**(87.37)**	**71.98**
Net Increase in cash and cash equivalents (A+B+C)	**5.44**	**6.95**	**12.10**
Cash and cash equivalents at the beginning of the year	30.37	23.42	11.32
Cash and cash equivalents at the end of the year	**35.81**	**30.37**	**23.42**

***** *Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00.*

SUMMARY OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES

(₹ in crores)

Particulars	For the year ended September 30, 2024 (unaudited)	For the year ended September 30, 2023 (unaudited)
ASSETS		
Non-Current assets		
Property, plant and equipment	366.86	291.99
Capital work-in-progress	31.70	56.64
Right-of-use assets	6.03	6.30
Intangible assets	0.12	0.11
Financial assets		
Investments*	0.00	0.00
Other financial assets	36.02	13.85
Deferred tax assets (net)	16.14	3.85
Non-current tax assets (net)	6.78	0.73
Other non-current assets	12.13	4.79
Total Non-Current Assets	**475.78**	**378.26**
Current assets		
Inventories	791.67	572.98
Financial Assets		
Investments	7.44	19.05
Trade Receivables	204.87	237.83
Cash and Cash Equivalents	33.38	31.37
Bank Balances other than cash and cash equivalents	57.60	86.67
Loans	2.00	-
Other Financial Assets	124.23	61.24
Other current assets	102.68	56.90
Total Current Assets	**1,323.87**	**1,066.04**
TOTAL ASSETS	**1,799.65**	**1,444.30**
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	13.81	13.81
Other Equity	913.47	654.64
Equity attributable to owners of the Holding Company	**927.28**	**668.45**
Non-Controlling interests	13.93	10.69
Total Equity	**941.21**	**679.14**
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	257.89	323.00
Lease liabilities	1.61	1.87
Other Financial Liabilities	-	-
Provisions	11.74	6.66
Deferred tax liabilities (net)	0.24	0.30
Other non-current liabilities	0.11	0.13
Total non-current liabilities	**271.59**	**331.96**
Current liabilities		
Financial Liabilities		
Borrowings	298.98	197.57
Lease liabilities	0.64	0.63
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	7.93	9.62
Total outstanding dues of creditors other than micro and small enterprises	92.06	62.58
Other Financial Liabilities	163.78	141.31

Particulars	**For the year ended September 30, 2024 (unaudited)**	**For the year ended September 30, 2023 (unaudited)**
Other Current Liabilities	14.09	12.53
Provisions	1.26	2.71
Current tax liabilities (net)	8.11	6.25
Total Current Liabilities	**586.85**	**433.20**
Total Liabilities	**858.44**	**765.16**
Total Equity and Liabilities	**1,799.65**	**1,444.30**

* *Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".*

SUMMARY OF UNAUDITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in crores)

Particulars	Half year ended September 30, 2024 (unaudited)	Corresponding half year ended September 30, 2023 (unaudited)
I. Income		
Revenue from operations	1,835.28	1,539.57
Other income	47.23	37.48
Total Income	**1,882.51**	**1,577.05**
II. Expenses		
Cost of materials consumed	1,671.72	1,241.52
Purchase of stock-in-trade	10.91	11.02
Changes in inventories of finished goods, work in progress and Stock-in-trade	(194.24)	(9.25)
Employee benefits expense	89.07	70.72
Finance Costs	24.91	23.87
Depreciation and amortisation expense	13.70	16.49
Other expenses	106.66	94.52
Total Expenses	**1,722.73**	**1,448.89**
III. Profit before tax (I-II)	**159.78**	**128.16**
IV. Tax Expenses		
Current tax	24.23	15.79
Deferred tax	(4.37)	0.98
Total tax expenses	19.86	16.77
V. Profit for the period/year (III-IV)	**139.92**	**111.39**
VI. Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit liabilities	(0.50)	(0.40)
Income tax on above items	0.17	0.14
Items that will be reclassified to profit or loss		
Foreign currency translation reserve	(20.51)	(7.31)
Change in fair value of hedging instruments	1.57	-
Income tax on above items	(0.55)	-
Total other comprehensive income, net of tax	(19.82)	(7.57)
VII. Total other comprehensive income for the period/year (V+VI)	120.10	103.82
Profit for the period/year attributable to:		
Owners of the Holding company	139.33	109.94
Non-controlling interests	0.59	1.45
Total other comprehensive income for the period attributable to:		
Owners of the Holding company	(19.99)	(7.75)
Non-controlling interests	0.17	0.18
Total comprehensive income for the period attributable to:		
Owners of the Holding company	119.34	102.19
Non-controlling interests	0.76	1.63
VIII. Paid-up equity share capital (face value of Rs 2/- each)	**13.81**	**13.81**
IX. Other equity		
X. Earnings per share		
Basic	20.48	16.22
Diluted	20.48	16.22

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT

(₹ in crores)

Particulars	For the period ended September 30, 2024 (unaudited)	For the period ended September 30, 2023 (unaudited)
A. Cash Flow from Operating Activities		
Profit before tax	159.78	128.16
Adjustments for:		
Depreciation and amortisation expense	13.70	16.49
Loss on sale/discard of property, plant and equipment (net)	0.49	0.31
Finance Cost	24.91	23.87
Incentive Income	-	(14.01)
Interest Income on bank deposits	(2.29)	(2.66)
Income from mutual funds carried at fair value through profit and loss	(0.02)	(0.04)
Interest income on others	(1.77)	(1.33)
Liabilities/provisions no longer required written back	(0.44)	(14.63)
Allowance for expected credit loss on financial assets (including write off)	0.57	0.14
Unrealised loss on financial assets measured at fair value through profit and loss	0.09	-
Unrealised loss on restatement of financial assets and financial liabilities	19.26	5.93
Loss by natural calamities	-	1.03
Operating profit before working capital changes	214.28	143.26
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(149.40)	23.49
Trade receivables	58.89	(100.95)
Other current and non-current assets	(67.71)	(10.56)
Other current and non-current financial assets	(66.93)	(5.30)
Adjustments for change in operating liabilities		
Trade Payables	32.49	(17.02)
Other current and non-current financial liabilities	59.05	14.30
Other current and non-current liabilities	3.75	(7.08)
Provisions	1.80	2.43
Cash generated from operations	86.22	42.57
Income tax paid (net of refunds)	(19.86)	(16.77)
Net cash flow generated from operating activities (A)	66.36	25.80
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for Creditors for capital goods and capital work-in-progress including capital advances	(27.81)	(54.18)
Proceeds from sale of property, plant and equipments	0.18	0.13
Interest received	4.06	3.99
Movement in bank balances not considered as cash and cash equivalents	5.37	(78.92)
Purchase of Investments	9.06	(17.91)
Net Cash used in investing activities (B)	(9.14)	(146.89)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	-	327.51
Repayment of non-current borrowings	(3.79)	(94.90)
Proceeds of current borrowings (net)	4.64	(56.50)
Payment of lease liabilities	(0.31)	(0.76)
Finance cost paid	(24.81)	(23.75)

(₹ in crores)

Particulars	**For the period ended September 30, 2024 (unaudited)**	**For the period ended September 30, 2023 (unaudited)**
Dividend paid	(35.38)	(29.51)
Net Cash (used in)/generated from financing activities (C)	**(59.65)**	**122.09**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(2.43)**	**1.00**
Cash and cash equivalents at the beginning of the year	35.81	30.37
Cash and cash equivalents at the end of the year	33.38	31.37

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all the information set forth in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. To obtain a complete understanding, you should read this section in conjunction with the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as the other financial and statistical information contained in this Placement Document.

The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. These risks and additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business, prospects, financial condition, cash flows and results of operations, the trading price of, and the value of your investment in our Equity Shares could decline or fall significantly and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of the Company and the terms of this Issue, including the merits and risks involved. This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results of operations could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Placement Document.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the reports "Global and India Lead, Aluminium and Plastic Recycling Market" dated December 2024 prepared by IMARC Services Private Limited ("**IMARC Report**"). We commissioned and paid for this report for the purpose of confirming our understanding of the industry in India in connection with the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the IMARC Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all the information set forth in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. To obtain a complete understanding, *you should read this section in conjunction with the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as the other financial and statistical information contained in this Placement Document.*

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In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Gravita India Limited on a standalone basis, while any reference to "we", "us" or "our" refers to Gravita India Limited, its Subsidiaries and Associate, as applicable in the relevant fiscal period, on a consolidated basis.

INTERNAL RISK FACTORS

1. We depend on a limited number of customers for significant portions of our revenues. The loss of one or more of our significant customers or significant reduction in production and sales of, or demand for our production from our significant customers may adversely affect our business, financial condition, result of operations and cash flows.

Our customer base of more than 325 customers is spread across 30 countries including Asia, Middle East, Europe and the Americas. As on September 30, 2024, we operate with 4 recycling verticals including, lead, aluminium, plastic and rubber at 11 recycling plant with over 1,700 global touch points and 31 owned scrap yards. We have delivered more than 169,000 MT of recycled products to our diversified global customer network. The table below sets forth our revenue from operations for six month period ended September 30, 2024 and Fiscal 2024, 2023 and 2022:

(₹ in crores)

Consolidated performance	Six-month period ended September 30, 2024 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	1,835.28	3,160.75	2,800.60	2,215.87

A significant proportion of our revenues have historically been derived from a limited number of customers. Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to negotiate favourable terms with our key customers; the loss of these customers; all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which we may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customer's supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers. The table below sets forth our revenue from operations from our largest customer, top 3 customers, top 10 customers and top 20 customers and their contribution to our revenue from operations for the periods indicated:

Particulars	Six months period ended September 30, 2024 (unaudited)		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in crores	% contribution to revenue from operations	₹ in crores	% contribution to revenue from operations	₹ in crores	% contribution to revenue from operations	₹ in crores	% contribution to revenue from operations
Largest Customer	481.72	26.25%	743.71	23.53%	671.52	23.98%	616.39	27.82%
Top 3 Customers	907.08	49.42%	1,336.54	42.29%	1,152.28	41.14%	1019.24	46.00%
Top 10 Customers	1,498.30	81.64%	2,139.61	67.69%	1,850.22	66.07%	1,586.41	71.59%
Top 20 Customers	1,622.39	88.40%	2,446.08	77.39%	2,200.07	78.56%	1,825.87	82.40%

These customers may demand price reductions, set off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy, replace us with our competitors, or replace their existing products with alternative products which we do not supply. There can be no assurance that we will not lose all or a portion of sales to these customers, or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers.

Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. Some of these customers have been associated with us for the over five years. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Further, a decline in our customer's business performance may lead to a corresponding decrease in demand for our products. Furthermore, the volume of work performed for these customers may vary from period to period and we may not be the exclusive lead, plastic granules and aluminium alloys provider for our customers. Our customers are spread across various industries & applications such as the automobile industries, battery manufacturers, cable manufacturers, etc, catering to manufacturers, OEM's and traders.

The loss of any existing key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers or secure new customers to offset any loss of revenue from the loss of any of our existing key customers. As a consequence of our reliance on such customers, any adverse change in the financial condition of these customers may also have an adverse effect on our business, financial condition, results of operations, cash flows and future benefits.

A significant portion of our key customers belong to specific industries such as the automobile, battery and cable manufacturing sectors. Any downturn or adverse changes in these industries, such as economic recessions, regulatory changes, or shifts in consumer preferences, could lead to a substantial reduction in demand for our products. For instance, the transition to electric vehicles (EVs) and the corresponding changes in battery technology could impact the demand for lead-based products. Similarly, any regulatory changes aimed at reducing the use of certain materials in manufacturing could affect our sales. This dependency on a single industry heightens our vulnerability to sector-specific risks, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Diversifying our customer base across different industries is essential to mitigate this risk and ensure sustainable growth.

2. ***We are subject to strict quality requirements and are consequently required to incur significant expenses to maintain our product quality. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.***

We currently specialize in manufacturing and supply of non-ferrous metals, mainly lead and aluminium by the process of recycling. We manufacture various lead products such as lead ingots, lead alloys, lead sheets, Lead Balls, Red Lead etc. We also manufacture aluminium products such as aluminium alloy ingots, including 12, ADC-6, HS-1, AC-4B, LM-6, LM-24, HD-4 etc. We manufacture these products based on technical specifications provided by our customers. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers, for e.g. regarding the chemical composition of an alloy, may lead to cancellation of the orders placed by our customers. Also, we provide turnkey solutions to the customers and failure to comply with any specification as may be required by our customers for establishing such turnkey projects could cause a rejection by the customer, may also have an adverse effect on our business, financial condition, results of operations, cash flows and future benefits.

We are also required to comply with international quality standards to cater to our global customer base. Different countries and regions may have varying quality requirements, certifications and industry-specific regulations and ensuring compliance with these international standards involves additional costs for certification, testing, and quality assurance processes. Failure to meet these standards can result in the rejection of our products and non-compliance can damage our reputation and lead to legal liabilities, which may have an adverse effect on our results of operations.

Further, any failure to make timely deliveries of products in the desired quantity as per our customer's requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. Additionally, prior to placing the orders, there is a detailed review process that is undertaken by certain customers. This may involve inspection of the recycling facilities, review of the manufacturing processes, review of the raw materials, review of our financial capabilities, technical review of the designs and specification of the proposed product, review of our logistical capabilities across geographies, and multiple inspection at different levels. The finished product delivered by us is further subject to laboratory validation by certain customers. This is an extensive and stringent process undertaken by our customers. We are therefore subject to a stringent quality control mechanism at each stage of the manufacturing process and are required to maintain the quality and precision level for each product. As a result, we are required to incur expenses to maintain our quality assurance systems such as periodic checking by the operators to ensure there is no defect from the previous stage operator, forming a separate team of engineers responsible for quality and assurance both in the recycling facilities and machineries, and in the manufacturing processes. We will continue to spend a portion of our future revenues to manage our product quality and to maintain our quality control a failure of which may negatively impact our profitability.

3. ***We do not have long-term agreements with our customers. If our customers choose not to source their requirements from us or manufacture such products in-house, our business and results of operations may be adversely affected.***

We do not have long-term supply agreements with our customers and we rely on short term purchase orders to govern the volume and other terms of our sales of products, from our customers. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule, and the quantities to be delivered are determined closer to the date of delivery. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our revenue and production schedules.

Our revenues are dependent, in part, on volume projections given to us by our customers. Under the letter of intent, purchase orders, and delivery schedules, our customers provide us only with forecast volume for the program and there is no commitment on the part of the customer to purchase the quantities specified in the volume projections. Such volume projections are based on a number of economic and business factors, variables and assumption, some or all of which may change or may not be accurate. Accordingly, the volume projections by our customers are not necessarily an accurate indication of our actual revenues from such orders will be, nor does it purport to projector results of operations, financial position or cash flows for any future period or date.

Additionally, certain customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customer's expectations and specifications could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, setoff any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition. Further, most of our recycling facilities are strategically located close to our customer's facilities, which plays a significant role in aiding and nurturing a strong relationship with our customers. The table below sets forth our inventory, average inventory and inventory turnover ratio as at, or for the periods, indicated:

Particulars	**As at September 30, 2024 (unaudited)**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Inventories (₹crores)	791.67	674.63	596.47	513.45
Average inventory (₹ crores)	733.15	635.55	554.96	435.58
Inventory turnover ratio	2.50	4.97	5.05	5.09

However, any of such customers may choose to relocate to a new location for business operations or there may be a disruption in the manufacturing operations of such customers in which case, our business, results of operations and financial condition may be adversely affected.

Accordingly, we face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us for our customers. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customer's paying us for the order placed for purchasing the inventory with us which we would have manufactured for them.

We may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. For instance, in facilities that have been specially set up for servicing a single customer or a significant portion of the revenue is derived from a single customer, such lower utilization of these recycling facilities could also result in our realizing lower margins as we may not be able to undertake manufacturing in large numbers which is critical to our business. Consequently, as there is no commitment on the part of the customer to continue to place new orders with us, our sales from period to period may fluctuate significantly as a result of changes in our customer's preferences.

In addition, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and limit our ability to maximize utilization of our manufacturing capacity. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase staffing, increase capacity and incur other expenses to meet the anticipated demand of our customers, which could cause reductions in our margins if an order gets delayed or cancelled or modified.

4. A significant portion of our revenue is derived from the recycling of lead and aluminium metal and there is no guarantee that our customers will place new purchase orders with us.

We derived significant portion of our revenue the recycling of lead and aluminium metal and details of our segments wise revenue are as mentioned below:

Segment revenue	**Six months ended September 30, 2024 (unaudited)**		**Fiscals**					
			2024		**2023**		**2022**	
	Amount (In ₹ crores)	**Percentage of Revenue from Operations (%)**	**Amount (In ₹ crores)**	**Percentage of Revenue from Operations (%)**	**Amount (In ₹ crores)**	**Percentage of Revenue from Operations (%)**	**Amount (In ₹ crores)**	**Percentage of Revenue from Operations (%)**
Lead	1,669.34	90.96%	2,780.77	87.98%	2,333.45	83.32%	1,870.34	84.41%
Aluminium	117.03	6.38%	254.92	8.07%	338.81	12.10%	206.77	9.33%
Plastic	39.84	2.17%	78.02	2.47%	104.50	3.73%	131.38	5.93%
Turnkey	8.80	0.48%	40.90	1.29%	19.03	0.68%	5.74	0.26%
Others	0.27	0.01%	6.14	0.19%	4.81	0.17%	1.64	0.07%
Total	**1,835.28**	**100.00%**	**3,160.75**	**100.00%**	**2,800.60**	**100.00%**	**2,215.87**	**100.00%**

While we have a deep and unrivalled understanding of the global lead and aluminium recycling markets, with decades of rich experience, these OEM companies reduce their development expenditures for any reason, this could lead to a decline in demand for our recycling and manufacturing services.

5. The shutdown or slowdown of operations at any of our recycling facilities, underutilisation of our manufacturing capacities or ability to adapt to technological changes may have a material adverse effect on our financial condition and results of operations.

Our business is dependent upon our ability to efficiently manage our recycling facilities, which are subject to various operating risks, including productivity of our workforce, compliance with regulatory requirements and circumstances beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions, natural disasters and infectious disease outbreaks such as the COVID-19 pandemic. Any malfunction or breakdown of our machinery may require significant repair costs and consequently cause delays in our operations. We may also face protests from local citizens at our existing recycling facilities or while setting up new facilities, which may delay or halt our operations. Our revenue from operations (finished goods) at all locations contributed 97.60%, 96.78%, 99.65% and 97.49% of our total revenue for Fiscal 2024, 2023 and 2022 and for the period of six months ended on September 30, 2024 respectively. The following table sets forth relating to capacity utilization on a consolidated basis as of the dates and for the periods indicated:

Consolidated performance	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Six-month period ended September 30, 2024 (unaudited)**
Capacity Utilization %	66.81%	66.67%	57.68%	67.41%

In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization at our recycling facilities, which would result in operational inefficiencies which could have an adverse effect on our business and financial condition.

Our operations also require a significant amount and continuous supply of electricity and fuel and any shortage or non-availability of such utilities may adversely affect our operations. Any interruption in the continuous supply electricity may negatively impact the quality of the final product manufactured by us, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationship. A prolonged interruption of electricity supply can also result in manufacturing slowdown or shutdowns, increased costs associated with restarting manufacturing and the loss of manufacturing in progress. The occurrence of any such event in the future could have an adverse effect on our business, results of operations and financial condition. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to an inability to comply with our customers' requirements and result in us breaching our contractual obligations.

6. ***Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations. Our raw material suppliers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.***

The principal raw materials used in our manufacturing process include lead-based scrap such as lead scrap, lead ore, lead concentrate and re-melted lead ingots among others. The table below sets forth our cost of materials and our cost of materials as a percentage of total expenses for periods indicated:

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**
Cost of materials consumed	1,671.72	97.04%	2,559.24	86.33%	2,295.42	86.10%	1,753.92	85.18%

The table below sets forth our cost of materials from our largest supplier and our top 10 suppliers for the periods indicated:

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of cost of materials**	**₹ in crores**	**% of cost of materials**	**₹ in crores**	**% of cost of materials**	**₹ in crores**	**% of cost of materials**
Largest Supplier	289.35	17.31%	360.53	14.09%	409.41	17.84%	319.33	18.21%
Top 10 Suppliers	661.23	39.55%	1,026.32	40.10%	947.46	41.28%	824.69	47.02%

We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers across the world. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. For instance, any increase in the current import duty of imported scrap, may have a significant impact on our business. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations.

There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, or on acceptable terms, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins, reputation and customer relations.

Further, as we import most of our raw materials from foreign countries, payments are carried out in foreign currencies. This exposes us to currency fluctuation risk. The prices of raw materials used by us are volatile and are subject to various factors including fluctuation in commodity prices, global economic conditions and market speculation, among other factors. Given the nature of the international scrap industry, our purchase contracts are made on spot prices. Though our Company has hedging agreement for raw materials and foreign currency, our company is still exposed us to a significant risk of price and currency fluctuations. Since we have long lead times in our supply chain due to high imports, the scrap markets and forex rate may fluctuate in the intervening time and we may not be able to adjust prices of our finished products against what we would have paid for our raw materials. We may not be able to effectively hedge ourselves from the fluctuations in scrap prices and foreign exchange rate and this may have an adverse impact on our profitability.

7. ***Export destination countries may impose varying duties on our products or enter into free trade agreements with countries other than India. Any increase in such duties or the entry into free trade agreements with countries other than India may materially adversely affect our business, financial conditions and results of operations.***

We export our products to over 30 countries across Asia, Europe, Australia, America and Africa continents. We derived revenue from export of our products to over 325 customers across Asia, Europe, Australia, America and Africa. These export destination countries impose varying duties on our products. The table below sets forth our revenue from sale of our products outside India along with the contribution by region for the fiscal years indicated:

Revenue	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of contribution to revenue from operations**	**₹ in crores**	**% of contribution to revenue from operations**	**₹ in crores**	**% of contribution to revenue from operations**	**₹ in crores**	**% of contribution to revenue from operations**
India	1,220.97	66.53%	1,739.04	55.02%	1,306.52	46.65%	1,055.12	47.62%
Outside India	614.31	33.47%	1,421.71	44.98%	1,494.08	53.35%	1,160.75	52.38%
North America	91.19	4.97%	266.03	8.42%	33.35	1.19%	79.53	3.59%
South America	0.30	0.02%	0.52	0.02%	29.10	1.04%	36.67	1.65%
Middle East	370.89	20.21%	563.39	17.82%	548.40	19.58%	402.02	18.14%
Australia	0.57	0.03%	6.58	0.21%	1.06	0.04%	0.08	0.00%
Europe	22.36	1.22%	39.33	1.24%	185.45	6.62%	170.26	7.68%
Africa	3.19	0.17%	13.74	0.43%	6.30	0.23%	1.02	0.05%
Asia Pacific (Except India)	125.81	6.86%	532.13	16.84%	690.42	24.65%	471.16	21.26%
India	1,220.97	66.53%	1,739.04	55.02%	1,306.52	46.65%	1,055.12	47.62%
Total	1,835.28	100.00%	3,160.75	100.00%	2,800.60	100.00%	2,215.87	100.00%

There can be no assurance that the duties imposed by such countries will not increase. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local government in this region could adversely affect our product sale and distribution activities, result in modification of our business strategy, or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition and results of operations. Any change or increase in such duties may adversely affect our business, financial condition and results of operations.

Additionally, export destination countries may also enter into free trade agreements or regional trade agreements with countries other than India. Such agreements and alteration of any existing tax treaties may lead to increased competition or may even place us at a competitive disadvantage compared to manufacturers in other countries and could adversely affect our business, financial condition and results of operations. Further, changes in import policies in countries to which we export our products may have a significant adverse impact on our business, financial condition and results of operations. India is also a party to, and is currently negotiating, free trade agreements with several countries to whom we regularly export our products. Any revocation or alteration of these bi-lateral agreements may also adversely affect our ability to export, and consequently, our business, financial condition and results of operation.

8. ***Our turnkey services expose our technical know-how to our competitors which may have an adverse effect on our business, cash flows, financial condition and results of operations.***

One of the business segments of our Company includes turn-key solutions for lead battery recycling, leveraging our longstanding experience in the business and in-house lead battery recycling technology. Through our turnkey recycling technology solutions, we provide one stop solutions to our customers for their non-ferrous and plastic recycling needs. We design personalised customer solutions as per the requirement of the customers and in the process, we share our equipment specifications, raw material consumed and manufacturing process with the customers. The dissemination of our proprietary information through turnkey projects can lead to a dilution of our competitive advantage. As our technical know-how becomes more widely known, it may reduce the barriers to entry for new competitors in the market. This increased competition could lead to price wars, reduced market share, and lower profit margins. This also exposes us to the risk of our customers becoming our potential competitors in the future and further it exposes us to the risk of our technical know-how being shared by our customers with our competitors. In the event of leak of our technical know-how by our turnkey customer to any our competitor may have an adverse effect on our business, cash flows, financial condition and results of operations.

Furthermore, the reliance on turnkey projects necessitates continuous innovation and improvement of our technologies to stay ahead of competitors who may replicate our processes. This ongoing need for innovation requires significant investment in research and development, which could strain our financial resources. Further, we may be subject to costs and liabilities owing to product liability claims made against us while providing turn-key solutions for lead battery recycling. Our business faces an inherent risk of product liability claims, in cases where our turnkey projects fail to perform in the manner expected, particularly where such failure to perform results in bodily harm or damage to property, or both or substantial delay in setting up of turnkey projects. While our Company maintains product liability insurance coverage, which we believe to be of an adequate quantum, we may be unable to obtain such insurance coverage of an adequate quantum in future, or on terms acceptable to us, or at all.

9. ***Our inability to accurately forecast demand for our products, and accordingly manage our inventory or plan capacity increases, may have an adverse effect on our business, cash flows, financial condition and results of operations.***

As is typical in the lead and aluminium recycling industry, we maintain a high level of inventory of raw materials, work in progress and finished goods. We plan our production volumes based on our forecast of the demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability. In order to pursue our expansion strategy, we have increased production levels and our inventory of raw materials and finished goods. As of March 31, 2024, our inventory of raw materials, work in Progress and finished goods amounted to ₹674.63 crores.

Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. We are significantly dependant on other countries for the import of raw materials and this dependence exposes us to risks of forex fluctuations. Further, though we have long-term supply agreements with some of our customers, we rely on short term purchase orders to govern the volume and other terms of the sales of products. As our customers are not obliged to purchase our products or provide us with a binding long-term commitment, there can be no assurance that customer demand will match our production levels. Our inability to accurately forecast demand for our products and manages our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations.

We typically plan capacity increases of our recycling facilities on the basis of anticipated demand, which we gauge on the basis of our estimated demand for our products. In the event that we are unable to ramp up production to match such demand, we may be unable to supply the requisite quantity of products to our customers in a timely manner. Any increase in our turn-around time could affect our production schedules and disrupt our supply which could have an adverse effect on our business, cash flows, financial condition and results of operations.

10. ***Our operations involve melting of lead, aluminium and plastic scrap in the furnaces. These activities can be extremely dangerous and any accident, including any spill-over of high temperature liquid metal and plastic could cause serious injury to people or property and in certain circumstances, even death and this may adversely affect our production schedules, costs, sales and ability to meet customer demand.***

Our operations require individuals to work under potentially dangerous circumstances, with flammable materials as a significant portion of our business involves melting of lead, aluminium and plastic in the hot refining section. High temperature liquid metal is extremely inflammable and any accident while handling such liquid metal may seriously hurt or even kill employees or other persons, and cause damage to our properties and the properties of others. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards such as explosions, fire, discharges or releases of hazardous substances, chemicals or gases, mechanical failures and other operational problems, and other environmental issues.

Although we employ safety procedures during the melting of lead, aluminium and plastic in the furnaces and maintain what we believe to be adequate insurance, there is a risk that any hazard may result in personal injury to our employees or other persons, destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of civil or criminal liabilities. Further, our operations include usage of radiators which may be susceptible to explosions in the event any radiator with water trapped inside is charged into the furnace. The loss or shutting down of our facilities could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigation, in India filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation could be significant. These claims and lawsuits, individually or in the aggregate, may be resolved against us inflicting negative publicity and consequently, our business, results of operations and financial condition could be adversely affected.

In particular, if operations at our recycling facilities were to be disrupted as a result of any significant workplace accident, fire, explosion or other connected reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

11. ***Dependence on lead segment revenue could impact our financial performance and concentration from certain value-added products may adversely impact our business if demand declines***

A substantial portion of our revenue comes from the lead segment, making it a critical part of our business operations. Our revenue from the lead segment amounted to ₹ 1,669.34 crores, ₹2,780.77 crores, ₹2,333.45 crores and ₹1,870.34 crores in the six months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, contributing to 90.96%, 87.98%, 93.32% and 84.41% of our revenue from operations. This heavy reliance means that any negative developments in this segment, including a drop in demand, price fluctuations, regulatory changes, or the introduction of alternative materials—could significantly affect our overall performance. Operational challenges, supply chain disruptions, or technological shifts affecting the lead segment could further amplify these risks. Our dependence on this single segment also limits our ability to diversify into other areas, which increases our exposure to these potential challenges. If there is a sustained or significant downturn in the lead segment, it could have a serious impact on our business, financial health, and profitability.

Furthermore, our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications. The following table sets forth the break up of revenue from value added products and % of revenue from operations for the periods indicated:

Value added Products	Fiscal 2022	Fiscal 2023	Fiscal 2024	Six-month period ended September 30, 2024 (unaudited)
Lead (₹ in crores)	589.00	825.31	1,125.96	734.45
Aluminium (₹ in crores)	174.00	256.50	204.53	90.34
Plastic (₹ in crores)	131.38	104.50	78.02	39.84
Total (₹ in crores)	**894.38**	**1,186.31**	**1,408.51**	**864.63**
Value added Products % of revenue from operations	40.36%	42.36%	44.56%	47.11%

A significant portion of our revenue is derived from the sale of value added products under lead, making us vulnerable to market conditions, demand fluctuations, and competitive pressures affecting these specific products. Any reduction in demand, changes in consumer preferences, introduction of alternative products, or other adverse market developments could result in a decline in sales, negatively impacting our business, financial condition, results of operations, and cash flows.

12. ***We rely on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers could result in loss in sales.***

We depend on road transportation to deliver our finished products to our customers within the same country. Apart from using our own vehicles for transportation, we also use commercial vehicles and third-party transportation providers for procuring our raw materials as well as for distributing our products to our customers. This makes us dependent on various intermediaries such as domestic logistics companies and container freight station operators. Even though we strategize such that our recycling facilities are closer to our customer's premises, we cannot guarantee that there will not be any delay in transportation and delivery of our products to our customers. The following table sets forth our freight expenses on sales charges and such charges as a percentage of total expenses in the periods indicated:

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**
Freight and forwarding expenses	33.27	1.93%	50.31	1.70%	57.12	2.14%	46.40	2.25%

Further, weather-related problems, strikes, or other events could impair our ability to procure raw materials from our suppliers or the ability of our suppliers to deliver raw materials to us which may in turn delay the process of manufacturing and supplying our products to our customers, leading to cancellation or non-renewal of purchase orders, and this could adversely affect the performance of our business, results of operations and cash flows.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

Furthermore, we are exposed to the risk of theft, accidents and/or loss of our products in transit. While we believe we have adequately insured ourselves against such risk, we cannot assure you that our insurance will be sufficient to cover the losses arising due to such theft, accidents and/or loss of our products in transit. While there have been no material instances of theft, accident or loss not covered by insurance or transportation strikes during the six months period ended September 30, 2024 and during Fiscal 2024, Fiscal 2023 or Fiscal 2022, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could adversely affect our business, results of operations and financial condition.

13. ***Our investments in new products and geographies may not be successful and may be less profitable or may be loss-making.***

As a part of our strategies, we are diversifying our product portfolio into new recycling vertical and new turnkey products, which we intend to market in India and outside of India to new and existing customers. We intend to diversify our business by focusing more on rubber, lithium battery, plastic and aluminium recycling. Further, we may diversify into turnkey solutions for, rubber, paper, steel, plastic, lithium-ion, etc.

Venturing into a new product line may require methods of operations and marketing and financial strategies different from those currently employed in our Company, therefore we cannot assure you that we will be able to successfully develop our new product lines. Further, we will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, delays in product development and possible failure of products to operate properly. In the absence of sufficient customers for our products, there can be no assurance that we will be successful in selling the products manufactured and at the locations of our recycling facilities. This may result in lower capacity utilization and adversely affect our business, financial condition and result of operations. As a result, we may not be able to achieve projected or satisfactory levels of sales, profits and/or return on investment on our new products since there is no assurance that we will receive orders from customers as they may not be willing to shift their sourcing from existing manufacturers to us. Further, we cannot assure you that the transition of our recycling facilities and resources to fulfil production under new product programs will not impact production rates or other operational efficiency measures at our facilities.

Although we follow a careful plan and strategy to develop our new recycling vertical, the production and marketing of our products is subject to number of risks including, but not limited to, our failure to develop customers, distributors or channel partners or effectively market these products that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. In addition, our new recycling products may require additional capital expenditure for development and roll out and may take substantial management time. Accordingly, our new products may not be successful for these and other reasons. Further, our investments in manufacturing and marketing such new recycling vertical and new turnkey products, may be less profitable than what we have experienced historically in our existing vertical and turnkey products and business, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

Moreover, entering new markets and product segments often involves navigating unfamiliar regulatory environments and market dynamics. This can lead to unforeseen challenges such as compliance with local laws, cultural differences in consumer behaviour, and unexpected competitive pressures. Additionally, the success of new products heavily depends on effective market research and understanding customer needs, which requires significant investment in market analysis and customer engagement strategies. Failure to accurately gauge market demand or misinterpret market signals can result in product misalignment and financial losses. Therefore, the inherent uncertainties and complexities associated with diversifying into new products and markets pose substantial risks to our business and financial stability.

14. ***There are outstanding legal and tax proceedings involving our Company. Any adverse decision in such proceedings may expose us to liabilities or penalties and may adversely affect our business, financial condition, results of operations, cash flows and future prospects.***

The nature of the business segments that we operate in are such that, from time to time we have been, and expect to continue to be subject to legal proceedings and claims in the ordinary course of our business, particularly relating to liability claims. We are currently involved in certain legal proceedings in India. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. For further details of these legal proceedings, please refer to chapter titled "*Legal Proceedings*" beginning on page 295.

We can give no assurance that these legal proceedings will be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If any new developments arise, for example, rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be an adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

15. ***We may incur substantial relocation costs on account of our business or customers' requirement to locate our recycling facilities to be in proximity to our customers' facilities or if expansion plans are restricted by availability of land or other location issues.***

Our recycling facilities are located in proximity to our customers in order to minimize both, our customer's and our own costs as well as enabling us to maintain regular supplies. If any of our customers were to relocate or if their facilities which are close to our facilities, are closed due to any reasons, it would impact our ability to remain competitive. For instance, while we may be chosen as a key supplier for products by a customer, in the event our customer relocates their recycling facility to another state, our ability to supply products to them would be adversely affected and we may not be able to supply our products to them in a timely manner, or at all.

Additionally, our competitors could build a facility that is closer to our customers' facilities which may provide them with a geographic advantage. Any of these events might require us to move closer to our customers, build new facilities or shift production between our current facilities to meet our customer's needs, resulting in additional cost and expense and having a materially adverse effect on our business, financial operations and cash flows. We may also have to relocate our recycling facilities due to unavailability of raw materials, change in taxes imposed on our products, change in laws regarding export or import of scrape and change in political conditions.

Furthermore, the process of relocating recycling facilities involves significant logistical challenges and potential disruptions to our operations. This includes the transportation and reinstallation of heavy machinery, re-establishing supply chains, and ensuring compliance with local regulations in the new location. Additionally, relocating facilities may require us to negotiate new labour agreements and retrain employees, which can be time-consuming and costly. The uncertainty and complexity associated with relocation can lead to temporary production halts, increased operational costs, and potential delays in fulfilling customer orders. These factors collectively could adversely impact our financial performance and market position. Effective planning and management of the relocation process are crucial to mitigate these risks and ensure a smooth transition.

16. Delay in schedule of our expansion into new territories may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.

Our Company may face risks relating to the commissioning of any new recycling facilities in newer territories or failure to expand our manufacturing capacity to meet future demand for our products on account of reasons including but not limited to changes in the general economic and financial conditions in India. In India, our Company is exploring growth opportunities in the eastern region of the country and internationally, we are exploring growth opportunities in various locations including the Americas and the western region of Africa. We may also encounter various setbacks such as adverse weather conditions, delay in receiving required government approvals, construction defects and delivery failures by suppliers, unexpected delays in obtaining permits and authorizations, or legal actions brought by third parties. Further as and when we commission our planned recycling facilities, our raw material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new recycling facilities as well as in realigning our management and other resources and managing our consequent growth. Such an approach would enable us to optimize our logistic cost. Secondly, we aim to expand the capacities of our existing facilities to leverage the additional availability of scrap in India.

As we expand into new territories, we will need to establish new supply chains or extend existing ones, which can be complex and fraught with challenges. Disruptions in the supply chain can occur due to various factors such as geopolitical tensions, trade restrictions, transportation issues, or supplier insolvency. These disruptions can lead to delays in the delivery of essential raw materials and components, thereby affecting our production schedules and increasing costs. Additionally, reliance on new or untested suppliers in new territories may result in quality issues or inconsistent supply, further complicating our operations. Effective supply chain management and contingency planning are crucial to mitigate these risks and ensure the smooth execution of our expansion plans. Failure to address supply chain disruptions promptly can have a cascading effect on our overall business, financial condition, and results of operations.

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

Our Financial Statements are presented in Indian Rupees. However, revenues and operating expenses of our Company are influenced by the currency of the country where we sell our products. The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and this has impacted our results of operations in the past and may also impact our business in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period. Thus, the Company is exposed to foreign exchange risk in the normal course of its business.

Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, our Company adapts the policy of selective hedging based on risk perception of management, which we cannot guarantee is sufficient to cover our perceived risks. The table set forth below provides our revenue in foreign currency for the periods indicated.

Particulars	Six months period ended September 30, 2024 (unaudited)		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in crores	% of revenue from operations	₹ in crores	% of revenue from operations	₹ in crores	% of revenue from operations	₹ in crores	% of revenue from operations
Revenue in foreign currency	614.31	33.47%	1,421.71	44.98%	1,494.08	53.35%	1,160.75	52.38%

A significant fluctuation in the Indian rupee to U.S. dollar or other foreign currency exchange rates could materially and adversely affect our business, results of operations, financial condition and cash flows. The exchange rate between the Indian rupee and these currencies, primarily the U.S. dollar, has fluctuated in the past and any appreciation or depreciation of the Indian rupee against these currencies can impact our profitability and results of operations. Our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, the Indian rupee had depreciated against the U.S. dollar in four of the last five years, which may impact our foreign currency expenditures. We have had gains and losses due to these fluctuations in foreign currency.

The table set forth below provides our foreign currency gains and losses for the periods indicated:

(₹ in crores)

Particulars	As at September 30, 2024 (unaudited)	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Foreign currency gains	Nil	8.88	31.60	3.48
Foreign currency losses	6.79	7.35	4.16	0.20

The table set forth below provides our foreign currency exposure that are not hedged by derivative instruments outstanding as on the balance sheet days are for the periods indicated:

(₹in crores)

Particulars	As at September 30, 2024 (unaudited)	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Financial assets	125.80	160.53	32.10	77.54
Financial liabilities	349.93	352.53	61.05	62.32

These foreign currency gains were related to instances where the market exchange rate at the time of transaction was in our favour. We, however, run the risk from time to time that the market exchange rate may be less favourable to us which may result in foreign currency losses. There can be no guarantee that such fluctuations will not affect our financial performance in the future as we continue to expand our operations globally, particularly in emerging markets where the risk of currency volatility is higher. The realisation of any of these risks could have a material adverse impact on our financial condition and results of operations.

18. ***We face competition in our product line from both domestic as well as international and multinational corporations, including from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our business, financial condition, results of operations and cash flows.***

The major challenge to success for the recycling industry is a lack of awareness among aluminium, lead and plastic recyclers due to the unorganized nature of the sector. There is highly skewed business share between the formal and informal recyclers which hinders the growth of the industry. We believe that we operate in a highly competitive industry due to reason mentioned above. Additionally, some of our Company's competitors, in the domestic and global industry may have greater engineering, manufacturing, financial capabilities, or superior resources. Our customers evaluate their suppliers based on, among other things, manufacturing capabilities, speed, quality, engineering services, flexibility, and costs. Further, while we believe that we have a diversified supplier base, some of our Company's competitors may have better access to raw material suppliers compared to us which may enable them to obtain metal scrap at favourable rates. Therefore, we are exposed to risks of our competitors having better resources that us. For more information regarding our industry peers, see "*Industry Overview*" on page 151.

Lead, aluminium and plastic recycling industries are highly fragmented and unorganised with most companies being run as family enterprises/proprietorships having regional presence and this leads to high degree of competitiveness which results in low bargaining power of majority of the recyclers. Our competitors may pursue an aggressive pricing policy and offer conditions to customers that are more favourable than those that we offer. Increased consolidation among our competitors or between our competitors and any of our customers could allow competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure. Furthermore, competitors may gain control over or influence our suppliers or customers by shareholdings in such companies, which could adversely affect our supplier relationships. We operate in an industry with low capital intensity, accordingly, there is an underlying threat of new entrants into the market. Such new entrants may capture our market share which may have an adverse impact on our business, financial conditions and cash flows.

The factors affecting competition include product quality and features, innovation and product development time, ability to control costs, pricing, reliability, fuel economy, customer service and financing terms. Some of our competitors may have certain advantages, including greater financial resources, technology, research and development capability, marketing resources, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends.

Our Company's customers may opt to transact with our competitors instead of our Company or if our Company fails to develop and provide the technology and skills required by its customers at a rate comparable to its competitors. Even though our Company may have the requisite technology and skills, there can be no assurance that we will be able to competitively develop the higher value add solutions necessary to retain business or attract new customers in the future. There can also be no assurance that we will be able to retain a compelling advantage over our competitors which could adversely affect our business, results of operations, financial conditions and cash flows.

19. Our failure to identify and understand evolving industry trends and preferences and to develop new products to meet our customers' demands may materially adversely affect our business.

Changes in consumer preferences, regulatory or industry trends or requirements or in competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge, through research and development or through technical assistance agreements or otherwise, that will allow us to develop our product portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete.

To compete effectively in the automotive components industry, we must be able to develop, upgrade and manufacture new products to meet our customer's demand in a timely manner. In order to do so, we need to identify and understand the key market trends and address our customer's evolving needs proactively and on a timely basis. As a result, we may incur, and have in the past incurred, capital expenditures for development of products to meet the demands of our customers. We cannot assure you, however, that we will be able to install and commission the equipment needed to manufacture products for our customers on time. Our failure to successfully and timely develop and manufacture new products in order to cater to the requirements of our customers and industry trends could have a material adverse effect on our business, financial condition, results of operations and future prospects.

20. Our Company has been penalized for delays in compliance with SEBI LODR Regulations, which could impact investor confidence and regulatory relationships.

While our Company has not received any communications or letters from the Stock Exchanges, SEBI, the Reserve Bank of India, income tax or GST authorities, or any other regulatory authority regarding breaches or violations of rules, regulations, or guidelines, and there have been no prosecutions filed (pending or otherwise) or fines imposed against our Company by any regulatory authority in the last five years preceding the date of this Placement Document, during Fiscal 2022, our Company was fined an aggregate amount of ₹70,000 each by the Stock Exchanges for delays in compliance with disclosure requirements under Regulation 23(9) of SEBI LODR Regulations Additionally, there were delays in compliance with Regulation 30 of the SEBI LODR Regulations. Although our Company has taken corrective measures to strengthen its internal compliance systems, any future delays, non-compliance, or adverse findings by regulatory authorities could result in additional penalties, reputational harm, or heightened scrutiny, which may adversely affect our Company's operations, financial condition, or investor confidence.

21. ***Pricing pressure from customers may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition.***

We face pricing pressures from our customers. Pricing pressures typically result in price reductions and cost cutting measures which lead to an erosion of our profit margins. Estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Our customers also negotiate for larger discounts in price as the volumes of their orders increase. We have, in the past, provided price reductions and discounts to customers to remain competitive. If we are unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our business, results of operations and financial condition may be materially adversely affected. In addition, substantially all of our products are customized to specific customer requirements, which requires us to incur significant costs in setting up our capabilities to manufacture these products, which may or may not be fully recovered from the customers. As these products are customised to customer specifications, we may not be able to find alternative purchasers for such products, in case there is any discontinuation in procurement from existing customers.

There can be no assurance that we will be able to avoid future customer price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives, which may adversely affect our business, financial condition and results of operations.

22. ***Customer consolidation and takeovers could adversely impact our financial position, results of operations and cash flows.***

Customers in our markets, may consolidate and grow in a manner that could affect their relationship with us. For instance, if one of our customers is acquired by any other company, its management may get reshuffled which may affect our relationship with such customer, and we may not be able to retain any favourable terms that we agreed to in the past and may even lose that acquired customer's business. Additionally, if our customers become larger and more concentrated, they could exert pressure in pricing and payment terms on all suppliers, including us. Accordingly, our ability to maintain or raise prices in the future may be limited, including during periods of increase in the price of raw materials and other costs. If we are forced to reduce prices or maintain prices during periods of increased costs, or if we lose customers because of their acquisition, pricing or other methods of competition, our financial position, results of operations and cash flows may be adversely affected.

23. ***We may fail to protect our intellectual property rights or we may be exposed to misappropriation and infringement claims by third parties, either of which may have a material adverse effect on our business and reputation.***

Our success depends on our ability to protect our core technologies, intellectual property and know-how. We may be unable to monitor the unauthorised use of our products and technology. If third parties gain unauthorised access to our proprietary technologies, they may be able to develop and manufacture similar products at a reduced cost, which may result in a decrease in demand for our products. The trademark of our Company, 'GRAVITA' is registered with the Registrar of Trademarks, Government of India under classes 1, 6 and 7. Our copyright, GRAVITA is under the process of registration. We cannot assure you that the trademark, granted to us, may not be contested, circumvented or invalidated over the course of our business. Further, our corporate logo is not registered as on date of this Placement Document.

The measures we take to protect our intellectual property, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. Third parties, including our competitors, may claim that our products infringe their proprietary technology and rights. Such infringement claims may increase as the number of products and competitors in our market increases and overlaps occur. Such claims and any resulting legal proceeding may subject us to additional financial burden; divert our management's attention and resources away from our core business; and if decided against our favour, may restrict us from utilising those technologies and require us to undertake significant inventory and product write-offs, redesign our products, recall our products already sold and/or refund the amounts received from selling those products. While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition.

24. ***Information relating to the installed capacity, actual production and capacity utilisation of our recycling facilities included in this Placement Document are based on various assumptions and estimates, and future production and capacity may vary.***

The information relating to installed capacities of our recycling facilities included in this Placement Document is based on various assumptions and estimates of our management, including assumptions relating to potential facility capacity, facility operating hours and potential operational days. Capacity additions to our recycling facilities have been made on an incremental basis, including through expansion of our recycling facilities, improving material handling and other operational efficiencies in the production process and addition of equipment or production lines from time to time. Actual production levels and future capacity utilization rates may vary significantly from the estimated installed capacities of our recycling facility and historical capacity utilization rates. In addition, capacity utilization is calculated differently in different countries, industries and for the different kinds of products we manufacture.

In relation to our utilized capacity, certain assumptions have been made in the calculation of the estimated annual installed capacities of our recycling facilities included in this Placement Document (as certified by an independent chartered engineer). Actual production levels and utilization may however vary due to seasonality in demand from the computed installed capacities of our recycling facilities. Undue reliance should therefore not be placed on the installed capacity information for our existing recycling facility and any additional capacity information proposed or the historical capacity utilization rate information included in this Placement Document.

25. ***Our continued operations are critical to our business and any disruption to power or fuel sources or any shutdown of our recycling facilities may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our recycling facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products, especially liquid aluminium, and our ability to provide an uninterrupted and timely supply of our products is critical to our business.

We also require substantial electricity for our recycling facilities most of which is sourced from electricity boards If supply is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. The cost of supplies may otherwise increase in the future. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

Additionally, we require substantial fuel for our recycling facilities, and energy costs represent a significant portion of the production costs for our operations. Our power and fuel expense for the six-month period ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022 were ₹12.77 crores, ₹23.98 crores, ₹17.80 crores and ₹16.77 crores, respectively. Any change is government policies regarding the usage of fuel for running furnaces could also have an adverse impact on our business.

In addition, we source most of our water requirements from state utilities, but there is no assurance that we will be able to obtain a sufficient supply of water from sources in these areas, some of which are prone to drought.

Therefore, we are subject to price risk and if supply or access is not available for any reason, our production may be disrupted and profitability could be adversely affected. If energy or water costs were to rise, or if electricity or water supplies or supply arrangements were disrupted, our profitability could decline. Our business and financial results may be adversely affected by any disruption of operations of our product lines, including as a result of any of the factors mentioned above.

26. We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our business, results of operations and financial condition.

Our business is capital intensive as we require adequate capital to operate and expand our manufacturing. Our historical capital expenditure has been and is expected to be primarily used towards development and enhancement of production capacities. Historically, we have funded our capital expenditure requirements through a combination of internal accruals and external borrowings.

The table below sets forth our capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work in progress including capital advances**)** for the periods indicated:

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of total expenditure**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work in progress including capital advances)	27.81	1.61%	98.18	3.31%	107.76	4.04%	72.80	3.54%

As part of our strategy, we intend to expand our business in India and internationally. There can be no assurance that our expansion plans will be implemented as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. Although we have not experienced time or cost overruns in the past, if in the future we experience significant delays or mishaps in the implementation of the expansion plans or if there are significant cost overruns, then the overall benefit of such plans to our revenues and profitability may decline.

Our Company requires working capital to finance the purchase of materials and for the manufacture and other related work before payment is received from customers. The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments and new opportunities in the lead, aluminium, rubber and plastic recycling industry. Furthermore, we require a significant amount of working capital to maintain optimum inventory levels of raw materials, work-in-progress and finished goods as well as to offer credit to our customers and channel partners and fulfil our payment obligations towards our suppliers.

The table below sets forth our working capital as at the dates indicated.

(₹ in crores)

Particulars	Six months period ended September 30, 2024 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working capital (1)	737.02	685.73	371.52	283.7
Working capital days (2)	73	79	48	47
Interest service coverage ratio	6.19	5.76	5.39	7.57

(1) *Working capital has been calculated as current assets less current liabilities.*

(2) *Working capital days is computed as working capital multiplied by the number of days divided by revenue from operations.*

Our working capital requirements may increase if payment terms in our agreements lead to reduced advance payments from our customers, distributors or channel partners or longer payment schedules, and we may need to raise additional capital from time to time to meet these requirements. While we do not anticipate seeking additional working capital financing in the immediate future, an inability to do so on terms acceptable to us could adversely affect our business, results of operations and financial condition.

Our sources of additional financing, required to meet our working capital requirements and capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

27. Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.

As on September 30, 2024, we had total outstanding borrowings of ₹ 556.87 crores (sum of current borrowings and non-current borrowings including current maturities of non-current borrowings). The table below sets forth certain information on our total borrowings, debt to equity ratio, finance cost and debt service coverage ratio as at the dates indicated:

(₹ in crores)

Particulars	Six months period ended September 30, 2024 (unaudited)	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Borrowings (1) (₹ crores)	556.87	545.13	344.46	387.82
Debt to equity ratio (2)	0.60	0.65	0.58	1.00
Finance Costs (₹crores)	24.91	49.22	39.14	33.55
Debt service coverage ratio	6.21	2.55	3.63	2.63

(1) *Total borrowing is calculated as the sum of current and non-current borrowings (including current maturities of non-current borrowings)*

(2) *Debt-Equity Ratio is calculated as Total Debt divided by total equity. Total Debt is calculated as the sum of (i) non-current borrowings and (ii) current borrowings (including the current maturities of non-current borrowings). Total equity is attributable to owners of the holding company.*

As of September 30, 2024, we had total secured borrowings (current and non-current borrowings) of ₹556.87 crores. These borrowings are secured, inter alia, through a charge by way of hypothecation on our entire current assets, and, in case of our term loans, on fixed assets that includes land and building on which our recycling facilities are located in favour of lenders. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;

- our ability to obtain additional financing in the future at reasonable terms may be restricted
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for, among others:

- effecting any changes in capital structure;
- any change in management or control of our Company;
- formulating any scheme of amalgamation or reconstruction;

Failure to meet these conditions or obtain these consents could have significant consequences on our business. Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, default, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. There are no breaches with respect to the above done by our Company till date.

28. We are subject to stringent labour laws of India and other jurisdictions and also to other industry standards and any strike, labour unrest, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.

Our manufacturing activities are labour intensive, require our management to undertake significant labour interface, and expose us to the risk of industrial action. As on September 30, 2024, we have 3,230 permanent employees. Our employee benefits expense comprise payments made to all the personnel on our payroll and engaged in our operations. The table below sets forth our employee benefits expenses, including as a percentage of revenue from operations, for the periods indicated:

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**	**₹ in crores**	**% of total expenses**
Employee benefits expenses	89.07	5.17%	131.24	4.43%	133.56	5.01%	102.75	4.99%

We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. We are also subject to a number of stringent labour laws of India and other jurisdictions that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as strikes, labour unrests, work stoppages or increased wage demands, which may adversely affect our business.

If labour laws of India and other jurisdictions wherein we have recycling facilities become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, financial condition, results of operations and cash flows. We also enter into contracts with independent contractors who, in turn, engage on-site contract labour to perform certain operations. Although we generally do not engage such labour directly, it is possible under Indian law that we may be held responsible for wage payments to the labour engaged by contractors should the contractor's default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition, results of operations and cash flows. Furthermore, under the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to absorb a portion of such contract labour as permanent employees. Our workforce includes personnel that we engage through independent contractors.

We are also subject to the laws and regulations in India governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. Furthermore, any upward revision of wages that may be required by the state government to be paid to such contract labourers would increase our costs and may adversely affect the business and results of our operations. Any order from a regulatory body or court requiring us to absorb such contract labour may have an adverse effect on our business, financial condition, results of operations and cash flows.

29. ***We are subject to various law and regulations, in Indian and foreign jurisdictions where we operate, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.***

Metal recycling is a highly composite process which involves several steps to be followed to ensure an environmentally sound recycling process. For instance, one of the most challenging facets that affect the recycling of consumer goods, is to ensure the delivery of end-of life products at the right facilities. Our operations are subject to various international, national, state and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes. Our recycling facilities at Chittoor, Kathua and Phagi, each have ISO 14001:2015 accreditation certifying our environmental management system. Our recycling facilities at Chittoor and Phagi, each have ISO 45001:2018 accreditation certifying our environmental management system. Our recycling facilities at Chittoor, Phagi and Jaipur SEZ each have ISO 9001:2015 accreditation certifying our quality management system. We are accredited with IATF 16949 certification for our Phagi Unit. Additionally, our Phagi Unit and Chittoor Unit each are International Lead Association approved plants. For instance, we require certain material approvals including approvals under the Water (Prevention and Control of Pollution) Act, 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended and the Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016, as amended in order to establish and operate our recycling facilities in India, and registrations with the relevant tax, labour and municipal authorities in India.

There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. A majority of these approvals are granted for a limited duration. Some of these approvals, licenses and permits have expired and we have either made or are in the process of making applications for renewing these approvals. We cannot assure you that our applications for renewal of these approvals will be issued or granted to us in a timely manner, or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Placement Document, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

Additionally, our subsidiaries in the foreign jurisdictions are also subject to the environmental, health, and safety regulations of these jurisdictions. Compliance with these foreign regulations can be complex and costly, as they may differ significantly from Indian regulations. Failure to comply with these foreign regulations could result in fines, sanctions, or operational shutdowns, adversely affecting our financial condition and results of operations. The need to navigate and comply with multiple regulatory frameworks increases our operational complexity and compliance costs, which may have a material adverse effect on our business and financial performance

30. Any adverse changes in regulations governing our business, products and the products of our customers, may adversely impact our business, prospects and results of operations.

Government regulations and policies of India as well as the countries to which we export our products can affect the demand for, expenses related to and availability of our products. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. Any changes in government regulations and policies, such as the withdrawal of or changes in tax benefits, incentives and subsidies or anti-dumping duties levied by India or other countries, could adversely affect our business and results of operations. Further, regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations.

Our Company may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Although, there is no incident in the past wherein we have failed to comply with the various conditions attached to such approvals, licenses, registrations and permissions or suspension or revocation of such approval and permission which have had material adverse effect on Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results, however, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

31. If we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.

We have experienced growth in the past three years. For Fiscal 2024, we had a total revenue of ₹3.238.56 crores, as compared to ₹ 2,893.68 crores for the Fiscal 2023. Our operations have significantly grown over last few Fiscals. We have expanded our operations to 11 recycling facilities as on the date of this Placement Document. We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for recycled lead and aluminium alloys, increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition.

We are embarking on a growth strategy which involves deepening, diversifying and expanding our customer base, focusing on geographic expansion and focusing on operational efficiencies to improve returns. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- making accurate assessments of the resources we will require;
- preserving a uniform culture, values and work environment across our projects;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- acquiring new customers and increasing or maintaining contribution from existing customer;
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- maintaining high levels of customer satisfaction; and
- adhering to expected performance and quality standards.

If we are unable to increase our production capacity, we may not be able to successfully execute our growth strategy.

Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot assure you that our future performance or growth strategy will be in line with our past performance or growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

32. We are dependent on a number of key management personnel and Senior Management Personnel and the loss of such persons, or our inability to attract and retain key management personnel and Senior Management Personnel in the future, could adversely affect our business, growth prospects, results of operations and cash flows.

Our ability to meet future business challenges depends on our ability to attract, recruit and retain talented and skilled personnel. We are highly dependent on our Promoters, our Directors, Senior Management Personnel, including skilled project management personnel. Our management and technical personnel are supported by other skilled workers who benefit from regular in-house training initiatives and they are also supported by external consultants with significant industry experience who are not permanent employees of our Company. The loss of any of our Promoters, our Directors, Senior Management Personnel or other key management personnel, or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, growth prospects, results of operations and cash flows.

We face competition to recruit and retain skilled and professionally qualified staff. Due to the limited availability of skilled personnel, competition for senior management and skilled engineers in our industry is intense. We may experience difficulties in attracting, recruiting and retaining an appropriate number of managers and engineers for our business needs. The risk could be heightened to the extent we invest in business of geographical regions in which we have limited experience. We may also need to increase our pay structures to attract and retain such personnel. Our future performance will depend upon the continued services of these persons.

33. We may be subject to counter party credit risk from our operating activities and our financing activities.

We are subject to the risk that our counterparties may not meet their obligations under various financial instruments. Our credit risk exposure relates to our financing activities, including deposits with banks and financial institutions, as well as to operating activities, primarily from trade receivables. As of September 30, 2024, and March 31, 2024, 2023 and 2022, our trade receivables were ₹204.87 crores, ₹264.33 crores, ₹137.02 crores and ₹ 109.65 crores, respectively, which amount to 11.38%, 16.50%, 11.37% and 10.99% of the total assets of the respective periods. Accordingly, in the event that our counterparties do not meet their financial obligations, we may face financial loss and this may thereby adversely affect our business, results of operations and cash flows.

34. Our business may be adversely affected if we are unable to maintain and grow our brand image. In particular, our failure to maintain certain licenses or certifications may negatively impact our brand and reputation.

Our brands as a leading recyclers of lead and non-ferrous metals is one of our most important assets, and we believe our brands and reputation are significant in attracting customers to our recycling products. With a track record of over two decades of recycling of used lead acid batteries, cable scrap/other lead scrap and recycling of aluminium scrap and plastic scrap, we have been able to gather significant industry expertise, develop a wide sales and distribution network and strategic customer relationships, manufacture products across the sectors, and achieve brand recognition and market leadership positions. We also believe that continuing to develop our reputation and awareness of our brand through focused and consistent business development initiatives among our customers is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets.

Although we take many steps to increase awareness of our products and protect the value of our brands through marketing and promotion, our business is dependent on customers' perception of our reputation and brands and such marketing campaigns. If we adopt unsuccessful marketing programs or are otherwise unable to maintain our customer relationships, we may only incur expenses without the benefit of higher revenues. Our competitors also may launch promotional activities, which may increase their brand visibility and we may not be able to match them. Further, we may not be able to invest adequately in marketing or customer engagement which could lead to loss of customers to competitors. If we fail to preserve the value of our brands, maintain our reputation, or attract consumers to our products, our business, results of operations and financial condition could be adversely impacted. In addition, our failure in maintaining our quality accreditations and certifications may negatively impact our brand and reputation

35. Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, results of operations and prospects.

We have implemented various information technology ("**IT**") solutions and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations, procurement, dispatch, accounting and other business functions. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Disruption or failure of our IT systems could have a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our IT systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and/or ERP systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently.

Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption(including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

36. Our Registered Office, Corporate Office and certain of our immovable properties, where some of our recycling facilities are located, are leased.

Our Registered Office, located at "Saurabh" Chittora Road, Harsulia Mod, Diggi – Malpura Road, Tehsil Phagi, Jaipur 303 904 and our Corporate Office located at 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan India are occupied by us on a leasehold basis. Further, certain of our immovable properties, where some of our recycling facilities are located, are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations. Some of our business units and premises on which we carry out manufacturing operations in India and overseas are being conducted on premises leased from third parties. The tenure of the leases is generally agreed in the relevant lease agreements and in some cases are subject to renewal after the agreed period of time. The term of lease agreements for our manufacturing and assembly facilities ranges from 11 months to 120 months with restricted right to terminate the leases available with the lessors in majority of leases, subject to lock-in period and option of renewals in terms of the lease agreements available to the Company. While there are currently no instances of non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our business, financial condition and results of operations.

Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may also affect our operations. In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions, including making structural alterations to the leased premises, which may be required if we were to undertake an expansion in the future. There can be no assurance that we will be able to renew these leasing arrangements at commercially favourable terms, or at all. If we are unable to renew all or any of our leasing arrangements, it may cause disruptions in our business and we may incur substantial costs associated with shifting to new premises, all of which may adversely affect our business, financial condition and results of operations .

37. We may not have sufficient insurance coverage to cover our economic losses as well as certain other risks, not covered in our insurance policies, which could adversely affect business, results of operations and financial condition.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our office or recycling facilities or in the regions/areas where our offices and recycling facilities are located in India and overseas. Our key insurance policies consist of stock-turnover policy, fire policy, group mediclaim policy, money insurance policy, contractor's plant and machinery insurance policy and burglary insurance policy, among others.

While we believe that the insurance coverage that we maintain is in accordance with industry custom, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows and financial performance could be adversely affected. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all.

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain risks which may not be covered by us, which we have not ascertained or anticipated as at date. Further, we cannot assure that we will be able to accurately ascertain and maintain adequate insurance for losses that may be incurred in the future. For further information on the insurance policies availed by us, see "*Our Business - Insurance*" on page 227.

38. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud and data breach. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate or may not be effective over time, due to evolving business conditions and dynamic threats perception. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls.

39. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

Like many of our competitors, we possess extensive technical knowledge about our products. Such technical knowledge has been built up through our own experiences and through our agreements to avail technical knowhow, which grant us access to new technologies. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of certain key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with a number of our customers and suppliers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as our products are not patented, and thus we may have no recourse against copies of our products that enter the market subsequent to such leakages. In the event the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the aluminium recycling sector could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

40. ***Product returns and costs incurred because of customer rejections could harm our business, results of operations and financial condition.***

In the event that we and our suppliers are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, reputation, sales, results of operations and customer relationships. From time to time, due to human or operational error, orders may not meet the specifications required by those customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

41. ***We have entered into certain credit facilities that are repayable on demand. Any unexpected demand for repayment of such facilities by the lenders may adversely affect our business, financial condition, cash flows and result of operations.***

As of September 30, 2024, our non-current borrowings, current borrowings (including current maturities of non-current borrowings) amounted to ₹ 257.89 crores and ₹298.98 crores, respectively. Some of our borrowings are drawn on facilities that are repayable on demand. Any failure to service such indebtedness, comply with a requirement to obtain lender consent or otherwise perform such obligations under such financing agreements (including unsecured borrowings) may lead to a such borrowing being repayable on demand or termination of one or more of our credit facilities or default or penalties and acceleration of amounts due under such credit facilities, which may adversely affect our business, financial condition, results of operations and prospects.

42. ***This Placement Document contains information from an industry report which we have commissioned from IMARC Services Private Limited. There can be no assurance that such third party statistical, financial and other industry data in this Placement Document may be complete or reliable.***

This Placement Document includes information that is derived from an industry titled "*Global and India Lead, Aluminium and Plastic Recycling Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2024-32*" dated December, 2024 ("**IMARC Report**"), prepared by IMARC Services Private Limited, a research house, pursuant to an engagement with the Company. We commissioned this report for the purpose of confirming our understanding of the lead, aluminium and plastic recycling industry in India. Neither we, nor the Book Running Lead Manager, nor any other person connected with the Offer has verified the information in the commissioned report. IMARC Services Private Limited has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable ("**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that IMARC Services Private Limited's assumptions are correct or will not change and, accordingly, our position in the market may differ, favourably or unfavourably, from that presented in this placement document. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. IMARC Services Private Limited has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the IMARC Report. Prospective Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this placement document, when making their investment decisions.

43. We have entered into a number of related party transactions and may continue to enter into such transactions under Ind AS 24, in the future, and there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have, in the past, entered into related party transactions with various parties aggregating to ₹ 5.02 crores, ₹148.32 crores, ₹11.34 crores and ₹22.33 crores for the six month period ended September 30, 2024,and for the Fiscals 2024, 2023 and 2022, respectively, in the ordinary course of our business. For further details, see "*Related Party Transactions*" beginning on page 110.

While, in our view, all such transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favourable terms had such arrangements not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favourable than if the transaction had been conducted on an arms' length basis.. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations. Further, the transactions with our related parties may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

Moreover, the presence of potential conflicts of interest in related party transactions could lead to scrutiny from regulatory authorities and stakeholders, which may result in reputational damage and legal challenges. This scrutiny could also necessitate additional compliance measures and oversight, increasing operational costs and administrative burdens. It is crucial for the company to implement robust governance practices and transparent disclosure mechanisms to mitigate these risks and ensure that all related party transactions are conducted fairly and in the best interest of the company and its shareholders.

44. Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future.

45. Our Promoter and members of Promoter Group who are also Directors and Senior Management Personnel hold Equity Shares, and are, therefore, interested in our Company's performance other than reimbursement of expenses incurred or normal remuneration of benefit.

Our Promoter and members of the Promoter Group who are also our Directors and Key Management Personnel, have interests in our Company other than to the extent of normal remuneration or benefits and reimbursement of expenses incurred. Our Promoter, certain Directors and Senior Management Personnel may be deemed to be interested to the extent of Equity Shares or employee stock options held by them as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares. For further information, see "*Board of Directors and Senior Management Personnel*" on page 230. There can be no assurance that our Promoter and members of the Promoter Group will exercise their rights as shareholders to the benefit and best interest of our Company.

46. We have contingent liabilities as at March 31, 2024 and our financial condition may be adversely affected if these contingent liabilities materialize.

As of March 31, 2024, our contingent liabilities as disclosed in the notes to our Audited Financial Statements aggregated to ₹ 89.81 crores. The details of our contingent liabilities are as follows:

(₹ in crores)

Particulars	As at March 31, 2024
Bank Guarantees	
- Bank guarantees given by the Group Companies	11.18
Claim against the Company not acknowledged as debt(ii)	
- Excise Duty/Customs Duty/Service Tax/Goods and services Tax	78.63
Total	**89.81**

If any of these contingent liabilities materialise, we may have to fulfil our payment obligations, which may have an adverse impact on our cash flows, financial conditions and results of operations. For further information, see "*Management's Discussion and Analysis of Condition and Results of Operation*" and "*Financial Statements*" on pages 111 and 304, respectively.

47. We have capital commitments to our Subsidiaries and any failure in performance, financial or otherwise, of our Subsidiaries in which we have made investment could have a material adverse effect on our business, prospects, financial condition and results of operations of our Company.

Our Company has made and continues to make capital investments and other commitments either at the Company level or directly in its Subsidiaries for augmenting their respective business. These investments and commitments may include capital contributions to enhance the financial condition or liquidity position of our Subsidiaries. Our Company has made acquisition and may make further capital investments in future, which may be financed through additional debt, including through debt of our Subsidiaries. Our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. If the business and operations of these Subsidiaries deteriorate, our Company's investments may be required to be written down or written off. Additionally, certain advances may not be repaid or may need to be restructured or receivables may not be collected or our Company may be required to outlay further capital under its commitments to support such companies. For further information on our investments, outstanding advances to and receivables from our Subsidiaries refer to "*Financial Information*" on page 304

The obligation of our Company towards Subsidiaries is restricted to providing funding requirements in enhancing the business of its Subsidiaries and providing credit support for various loans availed by them. Any failure in performance, financial or otherwise, of our subsidiaries in which we have made investment could have a material adverse effect on our business, prospects, financial condition and results of the operations of our Company.

48. Some of our Subsidiaries have incurred losses in the preceding three financial years, based on their last audited financial statements available. We cannot assure you that these companies or any of our other Subsidiaries will not incur losses in the future, or that there will not be an adverse effect on our reputation or business as a result of such losses.

Some of our Subsidiaries have incurred losses in the preceding three financial years, based on their audited financial statements available. For further information, see "*Financial Information*" on page 304. There can be no assurance that our Subsidiaries will not incur losses in the future. There is no assurance that these companies or any other ventures promoted by our Promoters will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

49. Our Promoters and Promoter Group will continue to retain majority shareholding in us after the Offer, which will allow them to exercise significant influence over us.

Our Promoters and members of the Promoter Group collectively hold a majority of our Company's Equity Shares capital. Accordingly, our Promoter and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the SEBI Takeover Regulations may limit the ability of a third party to acquire control. The interests of our Promoters, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoter will act to resolve any conflicts of interest in our Company's or your favour.

50. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our Company will have broad discretion over utilization of the Net Proceeds.

Our Company proposes to utilize the Net Proceeds for repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and/or one of our Subsidiaries, funding working capital requirements of the Company and general corporate purposes. For further details, see "*Use of Proceeds*" on page 89. Our proposed deployment of Net Proceeds has not been appraised by a public financial institution or a scheduled commercial bank and is based on management estimates. Our management will have broad discretion to use the Net Proceeds. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. Various risks and uncertainties, including those set forth in this section including inability to obtain necessary approvals for undertaking proposed activities, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We cannot assure you that use of the Net Proceeds to meet our future capital requirements, fund our growth and for other purposes identified by our management would result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

51. If we are unable to raise additional capital, our business, results of operations, cash flows and financial condition could be adversely affected.

We will continue to incur expenditure in maintaining and growing our existing business. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash on hand and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as the COVID-19 pandemic, credit availability from banks, investor confidence, the continued success of our operations and laws that are conducive to our raising capital in this manner. Any unfavourable change to terms of borrowings may adversely affect our ability to import raw materials and our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants and may have to grant security interests over certain of our assets. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

52. Any downgrade of our credit ratings could adversely affect our business.

As of the date of this Placement Document, we have received the following credit ratings on our debt and credit facilities.

Instrument or Rating Type	**₹ crores**	**Date**	**Ratings**
Credit Rating	465.00	June 20, 2024	[ICRA]A+(Stable)

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Further, there can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

53. Our statutory auditors have highlighted certain qualifications to their audit and review reports relating to the Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results, which may affect our future financial results.

Under Indian Auditing Standards, statutory auditors may include a qualifications, emphasis of matter or reservations in their audit opinion under certain circumstances, including when a company's financial records have not been maintained in accordance with Ind AS. While there are no reservations, adverse remarks or matters of emphasis made by the statutory auditors in the last five financial years prior to this Placement Document, the Company has not accounted for the employee benefit expenses in the accompanying Audited Consolidated Financial Statements for the year ended March 31, 2024 and Unaudited Consolidated Financial Results related to gain on sale of certain treasury shares of the Company held by Gravita Employee Welfare Trust pursuant to the

Gravita Stock Appreciation Rights Scheme, 2017 (the '**Scheme**') terminated during the year. Proceeds from sale of such treasury shares, net of liability of the Trust, if any, are proposed to be used for the welfare of the employees of the Company, as required under applicable statutory regulations and as per the terms of the trust deed. According to Statutory Auditors view, the Company should account for such gain on sale of treasury shares under other equity and such benefits to be given to employees as employee benefit expenses in accordance with the principles of Ind AS 32- Financial Instruments: Presentation and Ind AS 102 – Share Based Payments, respectively. For further information, see "*Management's Discussion on Financial Condition and Results of Operations – Auditors Observations*" on page 111.

There can be no assurance that our statutory auditors will not include such qualifications or other similar comments in the audit reports to our audited financial statements in the future, or that such modification will not affect our financial results in future fiscal periods. Investors should consider these qualifications and related remarks in evaluating our financial condition and results of operations. Any such modification in the auditors' report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

54. We have in this Placement Document included certain Non-GAAP Measures that may vary from any standard methodology that is applicable across the recycling industry and may not be comparable with financial information of similar nomenclature computed and presented by other companies.

Certain Non-GAAP Measures relating to our operations have been included in this Placement Document. For further details on the key performance indicators and non-GAAP financial measures used in this Placement Document, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation—Non-GAAP financial measures*", on page 15. We compute and disclose such Non-GAAP Measures as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian recycling companies, many of which provide such Non-GAAP Measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited and restated financial statements as reported under applicable accounting standards disclosed elsewhere in this Placement Document. These Non-GAAP Measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and are not measures of operating performance or liquidity defined by generally accepted accounting principles, and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other lead, aluminium, plastic and rubber recycling companies.

EXTERNAL RISK FACTORS

55. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence can cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholder's equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

56. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition.

Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

57. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and is subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India may implement new laws or other regulations and policies that could affect the digital payment and financial service industry in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition, cash flows and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

Furthermore, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

58. Significant differences exist between Ind AS, U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

The Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results included in this Placement Document have been prepared in accordance with Ind AS and accordance with Regulation 33 of the SEBI Listing Regulations, respectively. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

59. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. The domestic policy response includes localized micro-containment measures, state-specific movement restrictions, mobilization of health supplies and ramping up of health infrastructure. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.

A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects. Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

60. Investors may have difficulty enforcing foreign judgements against our Company, our Directors or our management.

Our Company is a limited liability company incorporated under the laws of India. Majority of our Company's Directors, Key Management Personnel are residents of India and our assets, are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. A party seeking to enforce a foreign judgment in India may be required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999 to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. Our Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

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

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

62. Applicants to this Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date.

In terms of Regulation 179(1) of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw or revise their Bids downwards after the Bid/Issue Closing Date. The Allotment of Equity Shares in the Issue and the credit of Equity Shares to the applicant's demat account with its depository participant could take up to 10 Working Days from the Bid/Issue Closing Date. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events or material adverse changes in our business, results of operation or financial condition, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/Issue Closing Date and the date of Allotment of Equity Shares in the Issue. The occurrence of any such event after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants will not have the right to withdraw or revise downwards their Bids in the event of any such occurrence. We may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

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

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares or securities linked to Equity Shares may lead to the dilution of investors' shareholdings in our Company.

Except for the customary lock-up on our Company's ability to issue equity or equity linked securities discussed in "*Placement and Lock-up*" on page 260, there is no restriction on our ability to issue Equity Shares or our major shareholders' ability to dispose-off their Equity Shares, and we cannot assure you that we will not issue Equity Shares or that any major shareholder will not dispose of, encumber, or pledge, its Equity Shares. Future issuances of Equity Shares may dilute your shareholding and may adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then current trading price of our Equity Shares. Sales of Equity Shares by our major shareholders may also adversely affect the trading price of our Equity Shares. For details, see "*Capital Structure*" on page 103.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on equity shares sold on an Indian stock exchange. Any capital gain exceeding ₹125,000, realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the rate of 12.5% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT on both acquisition and sale of the equity shares. Further any capital gain realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 12.5% (plus applicable surcharge and cess), without indexation benefits. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares

Any dividend distributed by a domestic company is subject to tax in the hands of the shareholders at the applicable rate. Further, our Company is required to withhold tax on such dividends distributed. Non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. We cannot predict whether any tax laws or other regulations impacting it or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations could have a material adverse effect on the trading price of our Equity Shares. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

65. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

The Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. The volatility of the Indian Rupee against other currencies may subject investors who convert funds into Indian rupees to purchase our Equity Shares to currency fluctuation risks. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. Our decision to file a registration statement will depend on the costs and potential liabilities associated with any such registration as well as the perceived benefits of enabling holders in such jurisdiction to exercise their pre-emptive rights and any other factors we consider appropriate at such time. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available to you by Indian law. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company may be reduced.

66. Listed companies in India are highly regulated and we are subject to continuous reporting requirements.

We are subject to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we incur significant legal, accounting, corporate governance and other expenses. We are subject to the SEBI Listing Regulations which requires us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we are required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. We are also required to monitor trading in the Equity Shares in terms of the SEBI Insider Trading Regulations. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention are required. As a result, our management's attention may be diverted from our business concerns, which may affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

67. The trading price of the Equity Shares may be subject to volatility and you may not be able to sell the Equity Shares at or above the Issue Price.

The Issue Price shall be determined by us in consultation with the Book Running Lead Managers, based on the Bids received, in compliance with Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with rules made thereunder. It may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to the Issue.

The trading price of the Equity Shares may fluctuate due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors and changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments.

For example, conditions in the Indian securities markets may cause the trading price of the Equity Shares to fluctuate. The Indian securities markets are generally smaller and more volatile than securities markets in developed economies. In the past, the Indian stock exchanges have experienced high volatility and other problems that have affected the market price and liquidity of the listed securities, including temporary exchange closures, broker defaults, settlement delays and strikes by brokers. Excessive volatility may, in turn, trigger the imposition of circuit breakers. See "***There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell the Equity Shares or the price at which Equity Shares can be sold at a particular point in time***." below. The closure of, or trading stoppage on, either of BSE and NSE could adversely affect the trading price of the Equity Shares.

In addition, if the stock markets in general, experience a loss of investor confidence, the trading price of the Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of the Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Additionally, in recent years, there have been changes in laws and regulations regulating the taxation of dividend income, which have impacted the Indian equity capital markets. See "Dividends" beginning on page 108. Any of these factors could adversely affect the market price and liquidity of the Equity Shares.

68. There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell the Equity Shares or the price at which Equity Shares can be sold at a particular point in time.

The Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on the Stock Exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform us of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares.

69. The right of the Equity Shareholders to receive payments pursuant to the Equity Shares will be subject to tax and other liabilities upon insolvency of our Company.

The Equity Shares will be subordinated to other liabilities preferred by law, such as claims of the Government of India on account of taxes and certain liabilities incurred in the ordinary course of our Company's business (including workmen's dues, debts owed to secured creditors, wages and any unpaid dues owed to employees other than workmen, financial debts owed to unsecured creditors etc. in accordance with the mechanism as specified under Section 53 of the Insolvency and Bankruptcy Code, 2016). In the event that bankruptcy or insolvency proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy or insolvency are instituted by or against our Company, the payment of sums or dividends to the Equity Shares may be substantially reduced or delayed, or the shareholding in our Company may be significantly diluted or otherwise completely extinguished.

70. An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of the allotment of the Equity Shares.

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of the Equity Shares in this Issue, eligible QIBs subscribing for each of the Equity Shares may only sell their Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

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

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

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

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

72. There is no guarantee that the Equity Shares will be listed on the Stock Exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchange.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be applied for or granted until the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorising the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on the Stock Exchanges, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Furthermore, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

73. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of the Equity Shares between non residents and residents and issuances of shares to non-residents by our Company are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified under applicable law. If such issuances or transfers are not in compliance with such pricing guidelines or reporting requirements and does not fall under any of the specified exceptions, then prior approval will be required.

Additionally, as per the Press Note No. 3 (2020 Series) issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**") on April 17, 2020, investments from beneficial owners in countries that share a land border with India are subject to government approval. This also applies to any change in beneficial ownership of existing or future foreign direct investments in an Indian entity, which results in the ownership falling under the aforementioned restrictions, necessitating the Government of India's approval. The Ministry of Finance further amended the FEMA Non-debt Instruments Rules, 2019 on April 22, 2020, to reflect this change. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Furthermore, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India may require a no-objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. These foreign investment restrictions may adversely affect the liquidity and free transferability of the Equity Shares and could result in an adverse effect on the price of the Equity Shares.

The GoI may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the GoI experiences extreme difficulty in stabilizing the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the GoI's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

MARKET PRICE INFORMATION

As on the date of this Placement Document, 69,037,914 Equity Shares have been issued, subscribed and paid up. The face value of the Equity Shares is ₹ 2.00 per Equity Share. The Equity Shares have been listed on BSE and on NSE since November 16, 2010. The Equity Shares are listed and traded on NSE under the symbol GRAVITA and BSE under the scrip code 533282.

As of December 18, 2024 the closing price of the Equity Shares on the BSE and the NSE were ₹ 2,406.00 and ₹ 2,407.65 per Equity Share, respectively. Since Equity Shares are available for trading on the BSE and NSE, the market price and other information for each of the BSE and the NSE has been given separately.

A. The following tables set out the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover for the Fiscals 2024, 2023 and 2022:

NSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in crores)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in crores)	Average price for the year (₹)
Fiscal 2024	1,151.05	November 13, 2023	1,00,064	11.53	494.55	April 25, 2023	1,70,305	8.56	816.08
Fiscal 2023	530.55	February 13, 2023	5,13,529	27.01	237	July 12, 2022	2,15,479	5.06	360.05
Fiscal 2022	383.25	February 02, 2022	9,58,113	36.00	84	April 20, 2021	78,421	0.67	213.89

(Source: www.nseindia.com)

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

BSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in crores)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the year (₹)
Fiscal 2024	1,153.90	November 13, 2023	19,862	2.29	496	April 03, 2023	62,751	3.07	817.25
Fiscal 2023	531	February 13, 2023	49,456	2.59	236.30	July 12, 2022	42,219	0.99	360.06
Fiscal 2022	383.10	February 02, 2022	1,20,422	4.52	83.95	April 19, 2021	35,667	0.30	213.87

(Source: www.bseindia.com)

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

B. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months, as applicable:

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in crores)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in crores)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
November 2024	2,299.55	November 07, 2024	2,33,203	53.36	2,033.45	November 21, 2024	1,89,263	39.02	2,164.85	33,90,867	73,795.66
October 2024	2,542.45	October 14, 2024	2,39,689	60.98	1,991.60	October 25, 2024	3,15,219	63.53	2,297.77	61,29,428	1,39,627.16
September 2024	2,664.65	September 17, 2024	3,90,524	103.20	2,190.40	September 09, 2024	1,79,238	39.19	2,416.52	73,50,422	1,79,221.91
August 2024	2,375.75	August 19, 2024	38,27,501	92.67	1,618.70	August 05, 2024	2,93,565	47.38	1,977.28	1,68,56,299	3,56,243.40
July 2024	1,728.55	July 23, 2024	24,68,379	40.11	1,332.35	July 19, 2024	1,88,033	25.15	1,494.89	70,13,240	1,09,415.90
June 2024	1,533.45	June 21, 2024	44,88,793	69.95	985.70	June 04, 2024	5,79,312	57.90	1,293.90	1,57,77,341	2,17,950.95

(Source: www.nseindia.com)

a) *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.*
b) *In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
c) *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in crores)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in crores)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in lakhs)
November, 2024	2,300.25	November 07, 2024	14,142	3.23	2,034.05	November 21, 2024	25,070	5.18	2,165.05	3,49,762	7,585.81
October 2024	2,541.15	October 14, 2024	9,126	2.32	1,994.35	October 25, 2024	46,481	9.34	2,297.42	5,80,723	13,261.48
September 2024	2,666	September 17, 2024	49,069	1.29	2,192.05	September 09, 2024	12,947	2.83	2,416.20	6,40,524	15,641.00
August 2024	2,382.15	August 19, 2024	1,23,062	2.97	1,617.70	August 05, 2024	45,375	7.30	1,978.07	11,40,953	23,675.07
July 2024	1,733.00	July 23, 2024	2,73,067	4.40	1,331.50	July 19, 2024	40,882	5.46	1,494.94	6,02,301	9,515.16
June 2024	1,541.00	June 21, 2024	16,10,707	22.39	997.30	June 04, 2024	25,977	2.59	1,294.21	23,72,336	32,327.37

(Source: www.bseindia.com*)*

a) *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.*
b) *In the case of a year, average represents the average of the closing prices of all trading days of each month presented.*
c) *In case of two days with the same high or low price, the date with the higher volume has been chosen.*

C. The following table set forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2024, 2023 and 2022:

Fiscal	No. of Equity Shares traded		Turnover (In ₹ crores)	
	BSE	NSE	BSE	NSE
Fiscal 2024	66,39,089	6,37,56,367	51,773.97	4,900.39
Fiscal 2023	85,52,423	7,49,38,727	33,411.42	3,009.82
Fiscal 2022	1,72,55,552	13,91,26,422	35,982.87	2,927.56

(Source: www.bseindia.com and www.nseindia.com)

D. The following table sets forth the market price on the Stock Exchanges on October 7, 2024, the first working day following the approval dated October 4, 2024 of the Board for the Issue:

BSE

Open	High	Low	Close	Number of Equity Shares traded	Volume (in ₹ crores)
2,375.00	2,435.00	2,242.65	2,258.00	47,622	1.11

(Source www.bseindia.com)

NSE

Open	High	Low	Close	Number of Equity Shares traded	Volume (in ₹ crores)
2,360.00	2,433.35	2,243.05	2,259.40	2,12,579	4.96

(Source www.nseindia.com)

USE OF PROCEEDS

The gross proceeds from this Issue shall be approximately ₹ 1,000.00 crores*. Subject to compliance with applicable laws, the net proceeds from this Issue, after deducting fees, commissions and estimated expenses relating to this Issue of approximately ₹18.58 crores, are ₹981.42 crores * ("**Net Proceeds**")

**Subject to allotment of Equity Shares pursuant to the Issue*

Objects of the Issue

Subject to compliance with applicable laws and regulations, we propose to utilise the Net Proceeds for the following objects:

1. Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and/or one of our Subsidiaries;

2. Funding working capital requirements of the Company

3. General corporate purposes

(collectively, referred to hereinafter as the "**Objects**").

Our main objects and objects incidental or ancillary to the attainment of the main objects of our Memorandum of Association enable us to undertake the Objects contemplated by us in the Issue.

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified basis the final Issue size in this Placement Document.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in crores)

Sr. No	Particulars	Amount which will be financed from Net Proceeds	Proposed schedule for deployment of the Net Proceeds	
			Fiscal 2025	Fiscal 2026
1.	Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and/or one of our Subsidiaries	530.00	250.00	280.00
2.	Funding working capital requirements of the Company	250.00	150.00	100.00
3.	General corporate purposes(1)	201.42	100.00	101.42
	Total Net Proceeds	**981.42**	**500.00**	**481.42**

The funding requirement, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on our current business plan, internal management estimates, current circumstances of our business, prevailing market conditions and other commercial considerations. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or independent agency or the Book Running Lead Managers, in connection with the Issue. We may have to revise our fund requirements and deployment on account of a variety of factors, such as our financial and market conditions, business and strategy, interest rates fluctuation, access to capital, competitive landscape and other external factors such as changes in the business environment or regulatory changes, which may not be within the control of our management. This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with applicable laws. For details, see "*Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds*" beginning on page 75.

Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above.

Further, in the event, the Net Proceeds are not utilized (in full or in part) for the Object of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws.

Our Company's management shall have flexibility in utilising surplus amounts, if any, as may be approved by our Board or a duly appointed committee from time to time, in accordance with applicable law. In the event that the estimated utilization of the Net Proceeds and Issue related expenses in a scheduled Fiscal Year are not completely met, due to inter alia the reasons stated above, the same shall be utilised in the next Fiscal Year or if required, the amount scheduled for deployment in a specific Fiscal may be utilized in an earlier Fiscal, as may be determined by our Company, in accordance with applicable laws. Subject to compliance with applicable laws, in case of any variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed from internal accruals, additional equity and/or debt arrangements.

The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us. Our Company's management, in accordance with the policies of the Board and as per applicable laws, shall have flexibility in utilising surplus amounts, if any.

Details of the Objects

1. **Repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company and/or one of our Subsidiaries**

We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks and financial institutions. The borrowing arrangements entered into by us include inter alia term loans and working capital facilities. We propose to utilise a portion of the Net Proceeds aggregating to ₹530.00 crores for repayment or pre-payment, in full or in part, of such outstanding borrowings (including interest thereon) availed by our Company and/or one of our Subsidiaries, as listed in the table below, as well as any fresh or existing borrowings taken by our Company and/or our Subsidiaries. The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan.

Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits and accordingly may be different to the amounts indicated herein at the time of utilization of the Net Proceeds. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or prepayment of borrowings in part or full, would not exceed ₹530.00 crores.

Pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds. We have and will account for such provisions while deciding on the repayment and/or pre-payment of loans from the Net Proceeds.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. Additionally, we believe that the since our debt-equity ratio will improve, it will enable us to raise further capital at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Details of utilization

The details of certain borrowings availed by our Company and one of our Subsidiaries, proposed for repayment and pre-payment, in full or in part, from the Net Proceeds are set forth below:

A. Loans availed by our Company:

<table>
<tr><th>S. No</th><th>Name of the lender</th><th>Date of sanction letter / loan agreement</th><th>Principal loan amount sanctioned (In ₹ crores)</th><th>Balance amount Outstanding as on September 30, 2024 (In ₹ crores)</th><th>Nature of borrowing</th><th>Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)</th><th>Tenor and Repayment Schedule</th><th>Interest Rate (% p.a.)</th><th>Security details</th><th>Purpose for which disbursed loan amount was sanctioned and utilized*</th><th>Pre-payment penalty, if any</th></tr>
<tr><td rowspan="2">1</td><td rowspan="2">State Bank of India</td><td rowspan="2">April 12, 2024</td><td rowspan="2">50.00</td><td>0.02</td><td rowspan="2">Short term loan</td><td>0.02</td><td rowspan="2">NA</td><td>9.30%</td><td rowspan="9">1. First pari-passu charge over the entire current assets of the Holding Company including raw material, stock-in-trade, finished goods including stocks-in-transit and those lying in godowns, ports, etc and book debts (both present and future).

2. Second pari-passu charge on the entire fixed assets of the Holding Company both present and future, excluding vehicles, but including assets situated at Plot No. P.A. 011-006, Light Engineering Zone, Mahindra World City - SEZ,</td><td>Cash Credit</td><td rowspan="2">Nil</td></tr>
<tr><td>31.36</td><td>31.36</td><td>Variable</td><td>Packing Credit in Foreign Currency</td></tr>
<tr><td>2</td><td>ICICI Bank Limited</td><td>September 29, 2023</td><td>50.00</td><td>2.13</td><td>Short term loan</td><td>2.13</td><td>NA</td><td>Variable</td><td>Working Capital-Demand Loan</td><td>Nil</td></tr>
<tr><td rowspan="6">3</td><td rowspan="6">YES Bank Limited</td><td rowspan="6">November 06, 2023</td><td rowspan="6">100.00</td><td>7.00</td><td rowspan="6">Short term loan</td><td>7.00</td><td rowspan="6">NA</td><td rowspan="6">Variable</td><td rowspan="6">Working Capital-Demand Loan</td><td rowspan="6">Nil</td></tr>
<tr><td>5.00</td><td>5.00</td></tr>
<tr><td>15.00</td><td>15.00</td></tr>
<tr><td>15.00</td><td>15.00</td></tr>
<tr><td>5.00</td><td>5.00</td></tr>
<tr><td>15.00</td><td>15.00</td></tr>
</table>

S. No	Name of the lender	Date of sanction letter / loan agreement	Principal loan amount sanctioned (In ₹ crores)	Balance amount Outstanding as on September 30, 2024 (In ₹ crores)	Nature of borrowing	Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)	Tenor and Repayment Schedule	Interest Rate (% p.a.)	Security details	Purpose for which disbursed loan amount was sanctioned and utilized*	Pre-payment penalty, if any
4	RBL Bank Limited	December 13, 2023	50.00	0.77	Short term loan	0.77		Variable	Jaipur, assets of Survey no. 233/15 to 233/30, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, and Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Phagi, Jaipur, Rajasthan	Cash Credit	Nil
				39.00		39.00		Variable		Working Capital-Demand Loan	
				10.00		10.00	NA	Variable			
5	South Indian Bank	March 20, 2023	50.00	26.87	Short term loan	26.87		6monthsSOFR+150bps		Packing Credit in Foreign Currency	
				10.00		10.00	NA	Variable		Working Capital-Demand Loan	
				8.00		8.00		Variable			Nil
6	HDFC Bank Limited	December 19, 2023	100.00	0.83	Short term loan	0.83	NA	8.50% p.a.linked with 3MT bill		Cash Credit	Nil
				0.99		0.99		7.75%p.a. linked with 1 MT bill		Working Capital-Demand Loan	
				0.84		0.84		8.92%			
				14.08		14.08					

S. No	Name of the lender	Date of sanction letter / loan agreement	Principal loan amount sanctioned (In ₹ crores)	Balance amount Outstanding as on September 30, 2024 (In ₹ crores)	Nature of borrowing	Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)	Tenor and Repayment Schedule	Interest Rate (% p.a.)	Security details	Purpose for which disbursed loan amount was sanctioned and utilized*	Pre-payment penalty, if any
				0.28	Short term loan	0.28				Credit Card	
7	Bajaj Fin.	November 23, 2023	65.00	51.99	Short term loan	51.99	12 Months with Maximum Tranch Period of 180 Days	3 months SBI MCLR+0.05% spread	First charge on Survey no. 43 Near National highway no.8A (Patri Gundala road, Village Gundala, Taluka Mundra, Kutch (Gujrat)	Short Term Revolving Loan	1% if prepaid within 1 year. Nill after 1 year.
8	HDFC Bank Limited	October 27, 2020	1.19	0.32	Long Term Loan	0.32	14 Months Remaining out of 60 Month	7.55%	Hypothecation of vehicles	Vehicle Loan	
9	HDFC Bank Limited	January 21, 2023	4.24	3.48	Long Term Loan	3.48	65 Months Remaining out of 84 Month			Vehicle Loan	6% 1st Year, 5% 2 Year, 3% after 2 Years

S. No	Name of the lender	Date of sanction letter / loan agreement	Principal loan amount sanctioned (In ₹ crores)	Balance amount Outstanding as on September 30, 2024 (In ₹ crores)	Nature of borrowing	Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)	Tenor and Repayment Schedule	Interest Rate (% p.a.)	Security details	Purpose for which disbursed loan amount was sanctioned and utilized*	Pre-payment penalty, if any
10	Axis Bank Limited	February 4, 2023	3.52	2.89	Long Term Loan	2.89	65 Months Remaining out of 84 Month	8.40%		Vehicle Loan	
11	Interest Provision			0.35		0.35					
Total			**473.95**	**266.20**		**266.20**					

**As certified by R.Sogani & Associates, Chartered Accountants, the independent chartered accountant, pursuant to their certificate dated December 16, 2024 certifying that these loans have been used for the purposes for which they were sanctioned.*

B. Loans availed by our Subsidiaries:

S. No	Name of the Subsidiary	Name of the lender	Date of sanction letter / loan agreement	Principal loan amount sanctioned (In ₹ crores)	Balance amount Outstanding as on September 30, 2024 (In ₹ crores)	Nature of borrowing	Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)	Tenor and Repayment Schedule	Interest Rate (% p.a.)	Security details	Purpose for which disbursed loan amount was sanctioned and utilized*	Pre-payment penalty, if any
1	Gravita Netherlands BV	SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A.	May 2, 2023	152.75	145.33	Long Term loan	145.33	15 quarters	EURIBOR+295 BPS	Corporate Guarantee from Gravita India Limited. Pledge over 51% of the shares of Gravita Netherlands B.V.(Borrower). Charge over the Debt Service Reserve Account (DSRA) account of the Borrower	Capital expenditure and working capital requirement	2%
2				152.75	145.33		145.33					2%

S. No	Name of the Subsidiary	Name of the lender	Date of sanction letter / loan agreement	Principal loan amount sanctioned (In ₹ crores)	Balance amount Outstanding as on September 30, 2024 (In ₹ crores)	Nature of borrowing	Amount proposed to be repaid out of the Net Proceeds (In ₹ crores)	Tenor and Repayment Schedule	Interest Rate (% p.a.)	Security details	Purpose for which disbursed loan amount was sanctioned and utilized*	Pre-payment penalty, if any
	Gravita Netherlands BV	OESTERREICHISCHE ENTWICKLUNGSBANK AG	May 2, 2023			Long Term loan		15 quarters	EURIBOR+295 BPS	Corporate Guarantee from Gravita India Limited. Pledge over 51% of the shares of Gravita Netherlands B.V.(Borrower). Charge over the Debt Service Reserve Account (DSRA) account of the Borrower.	Capital expenditure and working capital requirement	
Total				**305.5**	**290.66**		**290.66**					

**As certified by R.Sogani & Associates, Chartered Accountants, the independent chartered accountant, pursuant to their certificate dated December 16, 2024 certifying that these loans have been used for the purposes for which they were sanctioned.*

The form of infusion of such amount allocated for this object will be, by way of equity shares or preference shares or debt (including inter-corporate deposits), the modalities of which shall be decided by our Board before infusion of the proceeds into such Subsidiary after considering certain commercial and financial factors.

2. Funding working capital requirements of the Company

We propose to utilize ₹ 250.00 crores from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025 and Fiscal 2026. We have working capital requirements in the ordinary course corresponding to our growing business and revenues, which we typically fund through internal accruals and availing financing facilities from various lenders. As on September 30, 2024, we have a total sanctioned limit of secured fund based working capital facilities of ₹465 crores and has utilised ₹259.51 crores fund base facilities. We require additional working capital in order to support our incremental business requirements, funding future growth opportunities and for other strategic and corporate purposes.

The investment in the future working capital requirements will help us in meeting the expected growth in demand for our products and services.

Existing working capital of our Company

The details of Company's working capital and the source of funding, on the basis of the Audited Standalone Financial Statements for the six month period ended on September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company are provided in the table below:

(₹ in crores)

Working Capital	**Six month period ended on September 30, 2024 (unaudited)**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Inventories	565.99	484.98	394.21	358.47
Trade Receivables	167.13	214.19	139.67	101.23
Cash and bank balances	2.90	2.11	8.92	6.54
Other current financial assets	91.79	71.88	49.53	42.42
Other current assets	62.35	20.94	25.39	67.08
Investment (Short term)	Nil	0.65	1.11	0.05
Total Current Assets (A)	**890.16**	**794.75**	**618.83**	**575.79**
Trade Payables	227.83	188.45	105.23	74.91
Other Current Liabilities	12.29	18.65	12.57	13.96
Other financial liabilities	132.64	68.86	105.63	130.37
Advance from customer (Due in 1 year)	8.42	18.24	11.19	10.36
Total Current Liabilities (B)	**381.18**	**294.20**	**234.62**	**229.60**
Net working capital (C) = (A- B)	**508.98**	**500.55**	**384.21**	**346.19**
Funding Pattern				
Working capital funding from banks (i)	260.75	257.89	193.64	212.37
Internal Accruals / Net worth (ii) = (C) - (i)	**248.23**	**242.66**	**190.57**	**133.82**
Total Means of Finance (i) + (ii)	**508.98**	**500.55**	**384.21**	**346.19**

Note: Pursuant to the certificate dated December 16, 2024, issued by R.Sogani & Associates, Chartered Accountants, (Firm Registration Number: 018755C).

Current holding levels

Provided below are details of the holding levels (days) for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, which have been computed from the audited standalone financial statements of our Company:

Working Capital	**Amount as on March 31, 2024**	**Holding Level (Days)**	**Amount as on March 31, 2023**	**Holding Level (Days)**	**Amount as on March 31, 2022**	**Holding Level (Days)**
Inventories	484.98	60	394.21	55	358.47	60
Trade Receivables	214.19	25	139.67	18	101.23	17
Cash and bank balances	2.11	1	8.92	2	6.54	2
Investments (Short Term)	0.65	1	1.11	1	0.05	1
Other current assets	20.94	4	25.39	7	67.08	16
Other financial assets	71.88	9	49.53	7	42.42	5
Total Current Assets (A)	**794.75**	**100**	**618.83**	**90**	**575.79**	**101**
Trade Payables	188.45	21	105.23	14	74.91	23
Advance from customer (Due in 1 year)	18.24	2	11.19	2	10.36	2
Other Current Liabilities and provisions	18.65	3	12.57	2	13.96	2
Other financial liabilities	68.86	12	105.63	18	130.37	17
Total Current Liabilities (B)	**294.20**	**38**	**234.62**	**36**	**229.60**	**44**
Net working capital (C) = (A- B)	**500.55**	**62**	**384.21**	**54**	**346.19**	**57**
Funding Pattern						
Short Term borrowings (i)	257.89	32	193.64	30	212.37	35
Internal Accruals / Networth (ii) = (C) - (i)	**242.66**	**30**	**190.57**	**24**	**133.82**	**22**
Total Means of Finance (i) + (ii)	**500.55**	**62**	**384.21**	**54**	**346.19**	**57**

Note: Pursuant to the certificate dated December 16, 2024, issued by R. Sogani & Associates, Chartered Accountants, (Firm Registration Number: 018755C).

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, the projected incremental working capital requirements* for Fiscal 2025 are ₹ 758 crores and for Fiscal 2026 are ₹ 866 crores. Accordingly, our Company proposes to utilize up to ₹ 250.00 crores of the Net Proceeds in Fiscals 2025 and 2026, towards our estimated working capital requirements. The balance portion of our working capital requirement shall be met inter alia from internal accruals and extending existing or additional working capital facilities from various banks, financial institutions and non-banking financial companies.

**Incremental working capital requirement for the relevant fiscal means the working capital requirement for such fiscal minus the working capital requirement for the preceding fiscal.*

3. General Corporate Purposes

Our Company intends to deploy ₹ 201.42 crores, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities, business development initiatives, meeting expenses incurred in the ordinary course of business and towards any exigencies or any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated December 16, 2024, as the size of our Issue exceeds ₹ 100 crores. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The board of directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI.

Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our financial results. The statement shall be certified by the Statutory Auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Object; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Object as stated above. In terms of Regulation 32(7) of the SEBI Listing Regulations, our Company will also disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized.

Interim use of Net Proceeds

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation of the Net Proceeds towards the purposes described in this section, shall be invested in money market instruments including money market/debt mutual funds, deposits in scheduled commercial banks or such other permitted modes as per applicable laws and other instruments as approved by the Board of Directors from time to time.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither of our Promoters, members of the Promoter Group, our directors and the group companies are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group, our Directors and the group companies shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management (including 'key managerial personnel' under the Companies Act) are not eligible to subscribe in the Issue.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and members of our Senior Management

CAPITALISATION STATEMENT

The following table sets forth our capitalization on a consolidated basis as at September 30, 2024, which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue.

This capitalisation table should be read together with "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" on pages 48, 111 and 304, respectively and the related notes included elsewhere in this Placement Document.

(₹ in crores)

Particulars	Pre-Issue as at	Post-Issue (1)
	As at September 30, 2024 (A) (unaudited consolidated)	**Amount As adjusted for the Issue(2)**
Borrowings:		
Borrowings (consists of non – current borrowings, current borrowings, current maturities of non-current borrowings)	556.87	556.87
Total borrowings (A)	**556.87**	**556.87**
Equity		
Equity Share capital	13.81	14.76
Other Equity	913.47	1,912.52
Equity attributable to owners of holding company (B)	**927.28**	**1,927.28**
Total Capitalization (C = A+B)	**1,484.15**	**2,484.15**
Total Borrowing / Equity attributable to owners of holding company (A)/(B)	**0.60**	**0.22**

(1) These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended)

(2) As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue. Adjustments do not include Issue related expenses

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CAPITAL STRUCTURE

Our Company's capital structure as at the date of this Placement Document is set forth below:

(in ₹ crores, except share data)

No.	Particulars	Aggregate value at face value (except for securities premium account)
A.	**Authorised Share Capital**	
	85,000,000 Equity Shares of face value of ₹ 2 each	17.00
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**	
	69,037,914 Equity Shares of ₹ 2 each	13.81
C.	**Present Issue in terms of the Placement Document**	
	Up to 47,70,537 Equity Shares of face value of ₹ 2 each aggregating up to ₹ 95,41,074.00(1)	0.95
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**	
	7,38,08,451 Equity Shares of face value of ₹ 2 each	14.76
E.	**Securities Premium Account**	
	Before the Issue	42.70
	After the Issue(2)	1,041.75

Notes:

(1) The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on October 4, 2024 and by the shareholders of our Company vide a special resolution passed pursuant to sections 42 and 62(1)(c) of the Companies Act by way of approval through postal ballot on November 22, 2024.

(2) The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses.

Equity Share Capital History of our Company

The history of the equity share capital of our Company is provided in the following table:

Date of Allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹)	Nature of Consideration	Nature of allotment
August 04, 1992	40	10	10	Cash	Allotment to the initial subscribers to the Memorandum
March 2, 1993	29,960	10	10	Cash	Further allotment of equity shares
March 31, 1995	51,000	10	10	Cash	Further allotment of equity shares
March 31, 1997	161,850	10	10	Cash	Further allotment of equity shares
March 31, 1997	69,000	10	10	Other than cash	Further allotment of equity shares in lieu of consideration for purchase of land at Chittora, Jaipur
March 28, 1998	272,150	10	10	Cash	Further allotment of equity shares
November 30, 1999	1,000,000	10	10	Cash	Further allotment of equity shares

Date of Allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹)	Nature of Consideration	Nature of allotment
March 27, 2007	270,000	10	10	Cash	Further allotment of equity shares
March 31, 2008	678,750	10	10	Cash	Further allotment of equity shares
September 5, 2009	4,147,250	10	10	Cash	Further allotment of equity shares
September 7, 2009	3,340,000	10	-	Nil	Issue of bonus shares in the ratio 1:2 to the existing shareholders of the Company
November 13, 2010	3,600,000	10	125	Cash	Public issue of equity shares
May 11, 2012	Pursuant to a resolution passed by our Shareholders on May 11 , 2012, the equity shares of our Company of face value ₹10 each were sub-divided into equity shares of ₹2 each.				
October 23, 2012	27,552	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
October 29, 2013	47,614	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
July 22, 2014	19,950	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
October 28, 2014	59,462	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
July 30, 2015	36,850	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
October 30, 2015	76,671	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
April 26, 2016	46,190	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
July 30, 2016	53,225	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
April 22, 2017	42,850	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
July 21, 2017	194,250	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011
April 26, 2018	42,100	2	2	Cash	Issue of equity shares

Date of Allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹)	Nature of Consideration	Nature of allotment
					pursuant to the Gravita Employees Stock Option Plan 2011
April 27, 2019	291,200	2	2	Cash	Issue of equity shares pursuant to the Gravita Employees Stock Option Plan 2011

Employees' Stock Option Scheme

Pursuant to a resolution of the Compensation Committee of our Board dated September 23, 2011 and as approved by the shareholders at their annual general meeting held` on July 27, 2011 our Company instituted the "Gravita Employees Stock Option Plan 2011" ("**Gravita ESOP 2011**") to provide for the grant of options to the employees of our Company who meet the eligibility criteria under the ESOP Scheme 2011. The ESOP Scheme 2011 envisaged a grant of employee stock options convertible into not more than 3,405,000 stock options of ₹ 2 each. All options available for the issuance under the ESOP Scheme 2011 have been issued.

Further, pursuant to the resolution of our Board dated April 22, 2017, and the resolution of our shareholders by postal ballot on June 3, 2017 our Company instituted the "Gravita Stock Appreciation Rights Scheme 2017" (**"Gravita SAR 2017**") for acquiring shares in secondary market through Gravita Employee Welfare Trust. Further, the Gravita SAR 2017 was terminated by the Board in its meeting held on June 20, 2023. The Gravita SAR 2017 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The pre-Issue shareholding pattern as on December 14, 2024 and post-Issue shareholding pattern of our Company, is set forth below.

Sr. No.	Category	Pre-Issue(as of December 14, 2024)		Post-Issue(1)(2)	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held**	% of shareholding
A.	**Promoter's holding#**				
1.	**Indian**				
	Individual and HUF	26399789	38.24	26399789	35.77
	Other	17348025	25.13	17348025	23.50
2.	**Foreign**				
	Sub-total (A)	43747814	63.37	43747814	59.27
B.	**Non-Promoter's holding**				
1.	**Institutional investors (domestic)**				
	Mutual Funds	844057	1.22	1984211	2.69
	Alternate Investment Funds	1466373	2.12	1681053	2.28
	Insurance companies	74302	0.11	441638	0.60
	NBFCs registered with RBI	3227	0.00	160655	0.22
2.	**Institutional investors (foreign)**				
	Foreign Portfolio Investors Category I	8443535	12.23	11304474	15.32
	Foreign Portfolio Investors Category II	265251	0.38	295251	0.40

Sr. No.	Category	Pre-Issue(as of December 14, 2024)		Post-Issue(1)(2)	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held**	% of shareholding
3.	**Central Government/State Government(s)/ President of India**				
	State Government/Governor	0	0	0	0
4.	**Non-institutional investors**				
	Key Managerial Personnel	23040	0.03	23040	0.03
	Investor Education and Protection Fund	3231	0.00	3231	0.00
	Individual share capital up to ₹ 0.2 crores	10105175	14.64	10105175	13.69
	Individual share capital in excess of ₹ 0.2 crores	340000	0.49	340000	0.46
5.	**Non-Resident Individuals**	687981	1.00	687981	0.93
6.	**Bodies Corporate**	1478704	2.14	1478704	2.00
7.	**Any Other**				
	Clearing members	515	0.00	515	0.00
	HUF	484844	0.70	484844	0.66
	Trusts	69865	0.10	69865	0.09
	Sub-total (B)	**24290100**	**35.18**	29060637	39.37
C.	**Non-Promoter Non-Public shareholder**				
1.	Custodian/ DR Holder				
2.	Employee Benefit Trust	1000000	1.45	1000000	1.35
	Sub-total (C)	1000000	1.45	1000000	1.35
	Total (A+B+C)	**69037914**	**100**	**73808451**	100.00

1) *The post-Issue shareholding pattern of our Company reflects the shareholding of the institutional investors category on the basis of the Allocation made in the Issue and reflects the shareholding of all other categories as of December 19, 2024.*
2) *The post-Issue shareholding pattern has intentionally been left blank and will be filled in before the filing of this Placement Document with the Stock Exchanges.*

Other confirmations

There are no outstanding options, warrants or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Placement Document.

As on the date of this Placement Document, our Company has no outstanding preference shares.

No change in control in our Company will occur consequent to the Issue.

Our Company has not made any allotment of Equity Shares in the year immediately preceding the date of this Placement Document, including for consideration other than cash, or pursuant to a preferential issue, private placement or a rights issue.

Our equity shares of the same class as the Equity Shares proposed to be allotted through the Issue have been listed for a period of at least one year prior to the date of issuance of the notice to the Shareholders dated October 4, 2024, for the approval of this Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on the Stock Exchanges.

Proposed allottees in the Issue

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "*Proposed Allottees in the Issue*" on page 302.

DIVIDENDS

The declaration and payment of dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. Our Board may also, from time to time, declare interim dividends. Our Board has approved and adopted a formal dividend distribution policy on May 19, 2021, in terms of Regulation 43A of the SEBI Listing Regulations. ("**Dividend Distribution Policy**") In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by the Board after taking into account a number of factors, including but not limited to current year's profits, future outlook, with due consideration of internal and external environment, operating cash flows and treasury position, possibilities of alternative usage of cash, e.g., capital expenditure etc., with potential to create greater value for shareholders, providing for unforeseen events and contingencies with financial implications, other factors that may be considered relevant from time to time.

The details of the dividends recommended by our Company for periods indicated, are set out below:

Particulars	From April 1, 2024 to November 30 , 2024 (Gravita India Limited)	Fiscal 2024 (Gravita India Limited)	Fiscal 2023 (Gravita India Limited)	Fiscal 2022 (Gravita India Limited)
Face value of Equity Shares per share	2	2	2	2
Number of Equity shares (A)	6,90,37,914	6,90,37,914	6,90,37,914	6,90,37,914
Dividend (Interim) per share	5.20	Nil	0	3
Dividend (Final) per share	0	Nil	4.35	0
Total Dividend per share (B)	5.20	Nil	4.35	3
Total Dividend (*in crores*) (A x B)	35.90	Nil	30.03	20.71
Dividend Distribution Tax, where applicable				
Dividend Rate (%)	260	Nil	217.5	150

For a summary of certain Indian tax consequences of dividend distributions to shareholders, see "*Taxation*" on page 282

Our past practices with respect to the declaration of dividend are not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future. The form, frequency and amount of future dividends will depend on a number of internal and external factors, including, but not limited to, distributable surplus available with our Company as per Companies Act, 2013, our Company's earnings, cash flows, financial condition, liquidity position, working capital and other financing requirements considering expansion and acquisition opportunities, lender approvals, contractual obligations, stipulations/ covenants of loan agreements macroeconomic and business conditions in general, applicable legal restrictions and other factors, and shall be at the discretion of our Board and subject to the approval of our Shareholders. Investors are cautioned not to rely on past dividends as an indication of our future performance or for an investment in the Equity Shares. For a summary of some of the restrictions that may materially affect our ability to declare or pay dividends, see "*Risk Factors – Our ability to pay dividends in the* *future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*." beginning on page 73.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. For further information, see "*Description of the Equity Shares*" on page 276.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) the six months ended September 30, 2024, (ii) Fiscal 2024; (iii) Fiscal 2023; and (iv) Fiscal 2022, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please see the section entitled "*Financial Statements*" on page 304.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition is based on our consolidated financial statements as of and for fiscal 2022, fiscal 2023 and fiscal 2024 (the "**Audited Consolidated Financial Statements**") and unaudited financial statements as of and for the six months period ended September 30, 2024 (the "**Unaudited Consolidated Financial Results**" together with the Audited Consolidated Financial Statements, the "**Financial Statements**"). This discussion should be read in conjunction with the section titled "Selected Financial Information", and the Financial Statements included elsewhere in this Placement Document.*

This discussion contains forward-looking statements, that involve risks and uncertainties and reflects our current views with respect to future events and financial performance. We caution investors that our business and financial performance is subject to substantive risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth under the sections titled "Forward-Looking Statements" and "Risk Factors" on pages 19 and 48, respectively, and elsewhere in this Placement Document.

*We prepared our Financial Statements in accordance with the Indian Accounting Standards prescribed under section 133 of the Company Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind AS**"). Ind AS differs in some material respects from US GAAP and IFRS and other accounting principles with which prospective investors may be familiar.*

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12 months ended March 31 of that year.

OVERVIEW

Established in 1992, we are a prominent player in the global recycling industry, specializing in the recycling of lead, aluminium, plastic and rubber along with Turnkey recycling technology solutions, operates multiple recycling plants across - domestically and internationally *(Source IMARC Report)*. We are a leading global non-ferrous secondary metal as well as India's largest secondary lead metal producing company. *(Source IMARC Report)* Over the years, we have endeavoured to set industry standards to promote a green circular economy through innovation, technology and quality in relation to the quality across lead, aluminium, plastic products and turnkey solutions. As on September 30, 2024, we operate across 4 recycling verticals which are, Lead, Aluminium, Plastic and Rubber having 11 recycling plants with over 1,700 global touch points and 31 own scrap yards. In addition to above, we provide turnkey solutions for lead, aluminium, plastic, copper and rubber recycling. Our comprehensive turnkey solutions provide efficient and convenient recycling processes and solutions for recycling lead, aluminium, plastic, copper, and rubber.

We possess specialist expertise in the recycling of used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap *(Source IMARC Report)*. Our extensive product portfolio includes customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, customized aluminium alloys, aluminium ingots, plastic granules, and rubber. Our lead and lead products are used in a wide range of industries, supporting several value-added and specialist applications, primarily in the infrastructure and automobile industries. Other industrial uses of lead in India include its use in automotive batteries, construction, medical equipment, chemicals and in the oil and gas industry. Our aluminium products are mainly used in automotive, beverage cans and consumer electronics industries and our plastic products are mainly used in automotive, furniture, packaging industries amongst other segments. Our operations are spread globally, including, Africa (Ghana, Senegal, Mozambique, Togo and Tanzania) and Asia (India and Sri Lanka). Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas with more than 250,000 MT scrap collection capacity.

Our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications. The following table sets forth the break up of revenue from value added products and % of revenue from operations for the periods indicated:

Value added Products	Fiscal 2022	Fiscal 2023	Fiscal 2024	Six-month period ended September 30, 2024 (unaudited)
Lead (₹ in crores)	589.00	825.31	1,125.96	734.45

Value added Products	Fiscal 2022	Fiscal 2023	Fiscal 2024	Six-month period ended September 30, 2024 (unaudited)
Aluminium (₹ in crores)	174.00	256.50	204.53	90.34
Plastic (₹ in crores)	131.38	104.50	78.02	39.84
Total (₹ in crores)	894.38	1,186.31	1,408.51	864.63
Value added Products % of revenue from operations	40.36%	42.36%	44.56%	47.11%

We offer comprehensive turnkey solutions for lead battery recycling, leveraging our deep-seated and longstanding experience in the business and in-house Lead battery recycling technology along with other segments such as aluminium, plastic, copper, and rubber. We also offer technical consultancy services for recycling. We have executed more than 70 turnkey projects globally.

Our customer base of more than 325 customers is located in Asia, the Middle East, Europe and the Americas, spanning across 30+ countries. Our domestic operation serves more than 200 customers located in 20 states. We have delivered more than 169,000 MT of recycled products to our diversified global customer network.

We operate through our Five recycling facilities in India, two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir. We have seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo.

We provide a wide range of services including technical consultation for lead acid battery recycling and smelting, advanced PLC based control and monitoring systems, and flexible annual maintenance contracts. With a track record of executing over 70 recycling projects worldwide (Qatar, UAE, Saudi Arabia, Poland and Chile), we have established ourselves as a trusted provider of turnkey solutions. We also offer a comprehensive range of chemicals, consumables, and spare parts essential for lead recycling plants. We are a one-stop solutions to customers in aluminium recycling domain.

We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished products conform to the exact requirement of our customers. As on the date of this Placement Document, certain of our recycling facilities have accreditations such as our two plants at Phagi in Rajasthan and Chittoor in Andhra Pradesh are International Lead Association approved. We are committed to providing quality products to our customers and in this relation hold various quality accreditations including ISO 9001:2015 for quality management system, ISO 14001:2015 for environment management system and ISO 45001:2018 for health and safety management system. We are also affiliated as a member with Federation of Indian Export Organisation, Institute of Scrap Recycling Inc. and Confederation of Indian Industries (CII).

Our Company generated a revenue of ₹ 2,780.77 crores and ₹ 1,669.34 crores from lead which accounted for 87.98% and 90.96% of our revenue from operations (gross) for the year ended March 31, 2024 and the six month period ended September 30, 2024, respectively. One of our major customers to whom we sell our lead products is Amara Raja Batteries Limited..

We strongly believe in continuous innovation through process improvement and have thus made progress in these fields, especially in the realm of sustainable recycling, to ensure that green technologies are developed and deployed across countries, as manifested in our 70+ turnkey projects operating successfully both in developing and developed economies.

Our Promoter Rajat Agrawal, who is our Chairman and Managing Director, has over 30 years of experience in the lead recycling industry. With his industry, operational, and financial experience, we have been at the core of the expansion of our operations from the first recycling facility of our Company in Jaipur, Rajasthan in 1994 to eleven recycling facilities as on the date of this Placement Document. We also have qualified and experienced Key Managerial Personnel and Senior Management Personnel that has demonstrated its ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships. As of September 30, 2024, our permanent employee base comprises of 3,230 personnel across our operations. In addition to our regular employees, we also engage technical consultants from time to time to seek advice on process control and ways of improving the quality of our products.

The following table sets forth certain information relating to certain key financial metrics on a consolidated basis as of the dates and for the periods indicated:

(₹ in crores, except as otherwise stated)

Consolidated performance	**Six-month period ended September 30, 2024 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenue from operations	1,835.28	3,160.75	2,800.60	2,215.87
EBITDA	151.16	283.55	197.61	210.91
EBITDA Margin %	8.24%	8.97%	7.06%	9.52%
PAT (attributable to owners of holding company)	139.33	239.19	201.10	139.39
Profit After Tax Margin %	7.59%	7.57%	7.18%	6.29%
Production volume (MT)	98,647	1,67,780	1,51,827	1,36,906
Capacity Utilization %	67.41%	57.68%	66.67%	66.81%

Period	**Six-month period ended September 30, 2024 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Profit for the period/year (I)	139.92	242.28	204.09	148.45
Add: Tax expenses (II)	19.86	31.87	23.50	16.19
Profit before tax (III= I + II)	**159.78**	**274.15**	**227.59**	**164.64**
Add : Finance Cost (IV)	24.91	49.22	39.14	33.55
Add : Depreciation (V)	13.07	37.99	23.96	20.56
Less : Other Income (VI)	47.23	77.81	93.08	7.84
EBITDA (III + IV + V - VI)	**151.16**	**283.55**	**197.61**	**210.91**

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

We believe that the following factors have significantly affected our results of operations and financial condition during the period under review and may continue to affect our results of operations and financial condition in the future.

General economic and business conditions in the markets in which we operate and in the local, regional, national, and international economies:

Our financial condition is highly sensitive to fluctuations in the general economic environment, both locally and globally. Changes in economic conditions, such as recessions, inflation, or reduced consumer demand, could lead to decreased demand for recycled materials and adversely affect our revenue and profitability. The prices of key commodities, including metals, plastics, and lead, are influenced by global economic trends and market conditions, and volatility in these prices could impact our margins. Additionally, fluctuations in exchange rates, supply chain disruptions, or changes in global trade policies (e.g., tariffs on scrap materials or export restrictions) may affect our ability to source and sell materials efficiently, further influencing our financial performance.

Maintaining our customer relationships

A significant portion of our revenue from operations arises from sales of our products to our customers (which includes finished and traded products), with a small proportion arising from sale of scrap and also sale of services which are in the nature of job works executed. We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. We believe that our continued relationships with these customers plays a significant role in our growth and results of operations. We believe that our customer retention levels reflect our ability to provide quality products as per the customer specification, and our consistent customer servicing standards have enabled us to increase our customers' dependence on us. We strive to understand our customers' business needs and provide products to meet their requirements. We anticipate that our product offerings, the quality thereof and leadership in key product segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

The table below sets forth details of revenues generated from our top 3 customers, our top 10 customers and our top 20 customers for the periods indicated on consolidated basis.

Particulars	**Six months period ended September 30, 2024 (unaudited)**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	₹ in crores	**% contribution to revenue from operations**	**₹ in crores**	**% contribution to revenue from operations**	**₹ in crores**	**% contribution to revenue from operations**	**₹ in crores**	**% contribution to revenue from operations**
Largest Customer	481.72	26.25%	743.71	23.53%	671.52	23.98%	616.39	27.82%
Top 3 Customers	907.08	49.42%	1,336.54	42.29%	1,152.28	41.14%	1019.24	46.00%
Top 10 Customers	1,498.30	81.64%	2,139.61	67.69%	1,850.22	66.07%	1,586.41	71.59%
Top 20 Customers	1,622.39	88.40%	2,446.08	77.39%	2,200.07	78.56%	1,825.87	82.40%

Change in customer preferences, market conditions and industry trends affecting the metal and plastic industry

We derive our revenue primarily from sales to the OEM's. Sales of most of our products are directly related to the production and sales of batteries, cables, die casters, plastic industry by our customers, which are impacted by general macroeconomic or industry conditions, including seasonal trends in the metal and plastic manufacturing sector, volatile fuel prices, rising employee expenses and challenges in maintaining amicable labour relations as well as evolving regulatory requirements, government initiatives, trade agreements and other factors. Our business also depends substantially on global economic conditions.

Our results of operations are dependent on our ability to anticipate, gauge and respond to the changes in customer preferences and supply new products or modify our existing products in line with the changes in trends as well as customer demands and preferences. Additionally, we believe that the cyclical nature of general macro-economic conditions and, consequently, of the metal industry implies that our results of operations can fluctuate substantially from period to period. We expect that these macro-economic factors and conditions in the metal and plastic industry, particularly employment levels, fuel prices, consumer spending and interest rates, particularly in India, will continue to be the most important factors affecting our revenues and results of operations. Other factors, such as our competitiveness, quality and pricing, have an effect on our market share and our ability to retain customers in competitive situations, but the overall direction of the metal industry is expected to have a more significant effect on our revenues and results of operations.

Cost of procuring raw materials and manufacturing our products

The essential raw material used by our recycling facilities for production of lead, aluminium and plastic products is battery scrap, aluminium scrap and plastic scrap. Our Company has the capability to procure and process a variety of lead, aluminium and plastic based scrap. The prices of raw material vary from market to market, and our buying team, accordingly analyses the arbitrage in different markets to take possible advantages of such variations by purchasing more from the cheaper source. Our cost of raw materials consumed including purchase of stock in trade and changes in inventories of finished goods, work-in progress and stock in trade for the six month period ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022 was ₹ 1,488.39 crores, ₹2,561.91 crores, ₹2,282.03 crores and ₹1,743.53 crores, which represented 79.06%,79.08%,78.86% and 78.41% of our total income, respectively.

We source most of our raw materials from international market and payments are carried out in foreign currencies and at the same time we have 50-60% sales also in international market against which we realise payments in foreign currency. Thus we have natural hedging and have no currency fluctuation risk. The prices of our raw materials used by us are volatile and are subject to various factors including commodity prices and global economic conditions, among others. Considering our long term contacts with our customers, against which we fix the price approximately 45 days before the date of supply gives us natural hedge against commodity price risk to a large extent. In addition to this, we also undertake certain forward hedge contracts to minimise the commodity price fluctuation risk.

Since we have long lead times in our supply chain due to high imports, the scrap markets and forex rate may fluctuate in the intervening time and we may not be able to adjust prices of our finished products against what we would have paid for our raw materials. We may not be able to effectively hedge ourselves from the fluctuations in scrap prices and foreign exchange rate and this may have an adverse impact on our profitability. Further, volatility in prices of our raw materials can significantly affect our raw material costs and if we are not able to compensate for or pass on our increased costs to customers, such price increases could have a material adverse impact on our result of operations, financial condition and cash flows.

Compliance with stringent labour laws or other industry standards

Our manufacturing activities are labour-intensive and accordingly we employ a large workforce. As on September 30, 2024, we had employed 3,230 employees. We are subject to a number of stringent labour laws that protect the interests of workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes significant financial obligations on employers. Strikes, lock-outs and other labour action may have an adverse impact on our operations. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Also, our third-party suppliers may experience strikes or other labour disruptions and shortages that could affect our operations, possibly for a significant period of time, result in increased wages, shortage in manpower and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. Additionally, we may be unable to recruit employees, in particular skilled employees and retain our current workforce.

Any change in government policies resulting in increase in taxes:

Any changes in government policies, particularly those related to taxes, could significantly impact our financial condition. Increase in corporate tax rates, environmental taxes, or additional levies on materials like lead, aluminium, or plastic, may lead to higher operational costs. These increases could result in reduced profitability, necessitating adjustments to our pricing strategy or operational practices. Further, any increase in taxes on recycling processes or higher tariffs on imported raw materials could create additional financial strain, potentially affecting our margins and overall business performance.

Occurrence of Environmental Problems & Uninsured Losses:

As a company engaged in the recycling of metals, lead, aluminium, and plastics, we face risks associated with potential environmental issues. The occurrence of environmental problems such as contamination, accidents, or pollution, whether caused by operational activities or external factors, could result in significant financial liabilities. If such events are not adequately covered by insurance, we may be required to bear the full cost of mitigation, clean-up, fines, or legal liabilities. Environmental incidents can also disrupt our operations, incur repair costs, and potentially damage our reputation, which could negatively impact our financial position and long-term viability.

Competition

The Indian recycling industry is dominated by the unorganised sector comprising of medium and small sized players. This sometimes results in faster breakeven period for these players as price differential between large and small players is typically minimal. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior recycling facilities than we have. In the recycling industry, we face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. The metal recycling industry faces intense competition, driven by the high demand for recycled materials and the growing emphasis on sustainability. Numerous players, from large multinational corporations to small local recyclers, vie for scrap metal, making it challenging to secure a steady supply. Additionally, fluctuations in metal prices and technological advancements in recycling processes further intensify competition, as companies strive to optimize efficiency and profitability. This competitive landscape pushes businesses to innovate and adopt more sustainable practices to stay ahead in the market. Our competitors include national players such as Century Metal Recycling, Century NF Casting Limited, Shree Balaji Alumnicast Private Limited, Sunalco Industries Private Limited, Pilot Industries Limited, Pondy Oxides & Chemicals Limited, amongst other *(Source: IMARC Report)*.

MATERIAL ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in the financial statements.

I. Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

II. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition or construction. Following initial recognition, property plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method computed on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Group:

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	4 - 20 years
Furniture and fixtures	4 - 10 years
Vehicles	3 - 10 years
Computer and accessories	2 - 10 years
Office equipment	4 - 10 years

Freehold land is measured at cost and is not depreciated.

Property, plant and equipment costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-*in-progress*

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

III. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

V. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost is as follows:

Nature of inventories	Method of valuation
Raw materials	Moving weighted average method
Stores and spares and consumables	Moving weighted average method
Finished goods and work-in-progress	Raw material cost on moving weighted average method and includes conversion and other costs incurred in bringing the inventories to their present value and locations
Traded goods	Moving weighted average method
By-products/ scrap	Estimated net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

Stock in transit is valued at lower of cost and net realisable value.

VI. Foreign Currency transactions and translations

Functional *and presentation currency*
The consolidated financial statements are presented in Indian Rupees (Rs.) and are rounded to two decimal places of lakhs, which is also the Holding Company's functional and presentation currency.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Translation of foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee whose functional currency is not the currency of a hyperinflationary economy are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date and the equity is translated at historical rate. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period.

However, all amounts (i.e. assets, liabilities, equity items, income and expenses) of foreign operation, whose functional currency is the currency of a hyperinflationary economy, are translated into INR at the rate of exchange prevailing at the reporting date and the comparative figures shall be those that were presented as current year amounts in the relevant prior year financial statement (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the Statement of Profit or Loss and are recognized as part of the gain or loss on disposal.

Financial statements of entity whose functional currency is the currency of a hyperinflationary economy.

The financial statements of an entity whose functional currency is the currency of a hyperinflationary economy is stated in terms of the measuring unit current at the end of the reporting period.

Monetary items are not restated because they are already expressed in terms of the monetary unit current at the end of the reporting period.

Non-monetary items which are carried at amounts current at the end of the reporting period, such as net realisable value and fair value, they are not restated. All other non-monetary assets and liabilities which are carried at cost or cost less depreciation are restated by applying to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. However, where detailed records of the acquisition dates are not available or capable of estimation, in those cases, restatement is done based on independent professional assessment or by using the best estimate i.e. by capturing the movements in the exchange rate between the functional currency and a relatively stable foreign currency.

Statement of profit and loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore all amounts are restated by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements.

At the beginning of the first period of application, the components of shareholder’s equity, excluding retained earnings and any revaluation surplus, are restated by applying a general price index from the dates on which the items were contributed or otherwise arose. Restated retained earnings are derived from all the other amounts in the restated statement of financial position.

The gain or loss on the net monetary position, being the difference resulting from the restatement of non-monetary assets, owners’ equity and items in the statement of profit and loss and the adjustment of index linked assets and liabilities, is recognised in other comprehensive income because such amounts are judged to meet the definition of 'exchange differences'.

The previous year comparative numbers (both monetary and non-monetary items including shareholder's equity) of the hyperinflationary subsidiary are adjusted using the general price index so that the numbers are measured using measuring units current at the end of the reporting period. However, the consolidated financial statements are not restated, because it has already been presented in the stable currency. Further, impact of adjustments of the opening comparative numbers are recognised in other equity under the head 'Foreign currency translation reserve' in 'other comprehensive income' as a translation adjustment.

VII. Leases

The group considers whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is the lessee

The Group's lease asset classes primarily consist of leases for land, buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
(iii) the Group has the right to direct the use of the asset.

The Group at the commencement of the lease contract recognizes a right-of-use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any. The right-of-use asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

VIII. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

IX. Revenue Recognition

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

<u>Sale of products (including scrap sales and service income):</u>

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts are recognised in Statement of Profit and Loss on completion of performance obligation.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year. Sales, as disclosed, are exclusive of applicable tax.

The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Group's future performance. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Job Work Income:

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Export Incentive:

Income from export incentives such as duty drawback, remission of duties and taxes on export products (RoDTEP) are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Dividend income:

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

X. **Operating expenses**

Operating expenses are recognised in statement of profit and loss upon utilisation of the service or as incurred.

XI. **Equity, reserves and dividend payment**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Holding Company are recorded separately within equity.

XII. **Financial Instruments**

Initial measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price in accordance with Ind AS 115.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

a. Financial assets at amortised cost – a financial instrument is measured at amortised cost if both the following conditions are met:

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts, if any etc.

b. Financial assets at fair value

Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

Investments in equity instruments (other than subsidiaries)– All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss account, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss account.

Investment in mutual funds - All investment in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

XIII. **Hedge accounting**

The Group designates non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable forecasted transactions and accordingly, applies cash flow hedge accounting for such relationships. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity until the forecast transaction occurs or the foreign currency firm commitment is met.

XIV. **Impairment of financial assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the Expected Credit Losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on Group’s historical collection experience for customers and forecast of macro-economic factors.

The Group defines default as an event when the financial asset is past due for more than 180 days. This definition is based on management’s expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

The Group writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

XV. **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

XVI. **Post-employment, long term and short term employee benefits**

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined Contribution plan

The Group makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and are not reclassified to profit or loss.

Gratuity and Pension

In accordance with Indian laws, the Holding Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Short term employee benefit

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

XVII. Share based payments

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered, under “Gravita Stock Appreciation Rights Scheme 2017”.

Cash settled share-based payments

The Group has formed Gravita Employee Welfare Trust, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust buy shares of the Holding Company from the market, for granting them to its employees and are treated as treasury shares. Own equity instruments (‘treasury shares”) which are reacquired through Gravita Employee Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instrument.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as ‘employee benefit expenses’ with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

XVIII. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

XIX. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

XX. Taxes

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Group will pay normal income tax during the specified period.

XXI. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

XXII. **Dividend payment**

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the Board of directors.

XXIII. **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the Board of Directors which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue, expenses, assets and liabilities.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

XXIV. **Government grants**

Income includes export and other recurring and non-recurring incentives from Government (referred as “incentives'). Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. The Group is entitled to subsidies from government in respect of recycling facilities located in specified regions.

Government grants are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as income in the period in which the grant is received. Government grant in form of subsidy for unit at Chittoor, Andhra Pradesh is awarded as incentive to the Holding Company, and is recognised as income in the period in which the grant is accrued.

XXV. **Supply chain financing arrangement**

Includes amount payable to Micro, Small and Medium Enterprise vendors through TReDS portal for the financing facility availed by the Holding company. Under these facilities, the third party shall pay the amount on behalf of the Holding company and the Holding company shall pay the third party on the due date along with interest. As the facility provided by the third party is within the credit period provided by the customer, the outstanding liability has been disclosed under ‘other financial liabilities’.

XXVI. **Use of estimates and judgement**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group’s accounting policies and that may have the most significant effect on the amounts recognised in the consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) **Useful lives of depreciable/ amortisable assets:** Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

b) Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several **external** and internal factors which could result in deterioration of recoverable amount of the assets.

c) **Allowance for expected credit loss:** The allowance for expected credit loss reflects management’s estimate of losses inherent in its credit portfolio. This **allowance** is based on Group’s estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

d) **Allowance for obsolete and slow-moving inventory:** The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the consolidated financial statements.

e) **Contingent liabilities:** The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated.

f) **Provisions:** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

g) **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

h) **Income Taxes:** Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 33). The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

i) **Defined benefit obligations (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

j) **Fair value measurements:** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to consolidated financial statements.

k) Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Total income comprises of (a) revenue from operations and (b) other income

Revenue from Operations

Revenue from operations comprises revenue from sale of manufactured / recycled goods, traded goods and sale of services such as lead, aluminium, plastics and turnkey projects. Further our revenue from operations also included other operating revenue such as export incentives, government grant, job work income and scrap sales.

Other Income

Other income comprises of (i) interest income from bank deposits and others, (ii) other non-operating income from liabilities provisions no longer required to be written back, (iii) other gains and losses from amortisation of government grant and gain on foreign currency exchange fluctuation, and (iv) derivatives measured at fair value through profit and loss from gain on foreign currency forward contracts, gain on commodity forward contracts and miscellaneous income.

Expenses

Cost of material consumed

Cost of material represents of raw material consumed such as battery scrap like drained battery scrap, small battery, AGM battery, industrial battery, whole battery scrap etc., aluminium scrap like taldon, TT, tarry, throb, zorba etc. and plastic scrap like PP scrap, HDPE scrap, PP lumps, rafiya during the period.

Purchase of traded goods

Purchase of trade goods represents battery scrap and others.

Changes inventories of finished goods, work-in-progress and trade goods

Changes in inventories finished goods, work in progress and trade goods represent the difference between the opening and closing stock of finished goods, work in progress and trade goods kept as inventory.

Employee benefit expense

Employee benefit expenses predominantly comprises of salaries, wages and bonus, contribution to provident and other fund and staff welfare expenses.

Finance costs

Finance cost includes interest cost on borrowings, lease liabilities and others, foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs and other borrowing costs.

Depreciation and amortisation expense

Depreciation and amortisation expenses comprises of depreciation n property, plant and equipment, amortisation of intangible assets and depreciation of right-of-use assets.

Other expenses

Other expenses includes expenses towards power and fuel, rates and taxes, legal and professional fees, repairs and maintenance, freight and forwarding, travelling and conveyance, insurance, rent, advertising and sales promotion, donations, payments to auditors, loss on sale/ discard of property, plant and equipment, expenditure on corporate social responsibility, bank charges, contractual labours expenses and miscellaneous expenses.

RESULTS OF OPERATIONS FOR THE SIX MONTHS PERIOD ENDED ON SEPTEMBER 30, 2024 AND THE SIX MONTHS PERIOD ENDED ON SEPTEMBER 30, 2023

The following table sets forth select financial information from the Unaudited Consolidated Financial Results for the six months period ended September 30, 2024 and six months period ended September 30, 2023, the components of which are also expressed as a percentage of total income for such periods:

(₹ in crores, unless specified)

	Particulars	Six month period ended September 30, 2024 (unaudited)	% of total income	Six month period ended September 30, 2023 (unaudited)	% of total income
(I)	**Income**				
	Revenue from Operations	1,835.28	97.49%	1,539.57	97.62%
	Other income	47.23	2.51%	37.48	2.38%
	Total Income	**1,882.51**	**100.00%**	**1,577.05**	**100.00%**
(II)	**Expenses**				
	Cost of materials consumed	1,671.72	88.80%	1,241.52	78.72%
	Purchases of stock-in-trade	10.91	0.58%	11.02	0.70%
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(194.24)	(10.32%)	(9.25)	(0.59%)
	Employee benefits expense	89.07	4.73%	70.72	4.48%
	Finance costs	24.91	1.32%	23.87	1.51%
	Depreciation and amortisation expenses	13.70	0.73%	16.49	1.05%
	Other Expenses	106.66	5.67%	94.52	5.99%
	Total Expenses (II)	**1,722.73**	**91.51%**	**1,448.89**	**91.87%**
(III)	**Profit before tax (I-II)**	**159.78**	**8.49%**	**128.16**	**8.13%**
(IV)	**Tax Expenses**				
	Current tax (including earlier years)	24.23	1.29%	15.79	1.00%
	Deferred tax (credit)/charge	(4.37)	(0.23%)	0.98	0.06%
	Total tax expenses	**19.86**	**1.05%**	**16.77**	**1.06%**
(V)	**Profit for the Period (III-IV)**	**139.92**	**7.43%**	**111.39**	**7.06%**
(VI)	Total other comprehensive income, net of tax	(19.82)	(1.05%)	(7.57)	(0.48%)
(VII)	**Total comprehensive income for the period (V+VI)**	120.10	6.38%	103.82	6.58%
	Profit for the period attributable to:				
	Owners of the Holding company	139.33	7.40%	109.94	6.97%
	Non-controlling interests	0.59	0.03%	1.45	0.09%
	Total other comprehensive income for the period attributable to:				
	Owners of the Holding company	(19.99)	(1.06%)	(7.75)	(0.49%)
	Non-controlling interests	0.17	0.01%	0.18	0.01%
	Total comprehensive income for the period attributable to:				
	Owners of the Holding company	119.34	6.34%	102.19	6.48%
	Non-controlling interests	0.76	0.04%	1.63	0.10%
	Earnings Per Equity Share (Basic and Diluted) (₹)*	20.48		16.22	

**Earnings per share not annualised*

Income

Revenue from operations

Revenue from operations increased by 19.21% from ₹1,539.57 crore for the six-month period ended September 30, 2023 to ₹1,835.28 crore in six month period ended September 30, 2024. This increase in revenue from operations was primarily due to improvement in realisation per tonne by 2 %, increase in sales volume by 17%

and better capacity utilisation from 55% to 67%. Revenue from operations as a percentage of total income was 97.49% for six-month period ended September 30, 2024 compared to 97.62% for six month period ended September 30, 2023.

Other Income

Other income increased by 26.01% from ₹37.48 crore for the six month period ended September 30, 2023 to ₹47.23 crore for the six month period ended September 30, 2024, primarily on account of gain on commodity forward contract.

Other income as a percentage of total income increased from 2.38% for six month period ended September 30, 2023 to 2.51% for six month period ended September 30, 2024.

Total Income

Total income increased by 19.37% from ₹1,577.05 crore for the six month period ended September 30, 2023 to ₹1,882.51 crore for six month period ended September 30, 2024, primarily due to an increase in revenue from operations and other income as explained above.

Expenses

Cost of materials consumed

Cost of materials consumed increased by 34.65% from ₹1,241.52 crore for the six month period ended September 30, 2023 to ₹1,671.72 crore for the six month period ended September 30, 2024, primarily due to increase in volumes;

Purchase of traded goods

Purchase of traded goods decreased to ₹10.91 crores during six months period ended September 30, 2024 from ₹11.02 crores during six months period ended September 30, 2023, representing an decrease of 1.00%. The decrease was primarily due to decrease in trading of goods.

Changes in inventories of finished goods, work in progress and traded goods

Changes in inventories of finished goods, work in progress and traded goods for six months period ended September 30, 2024 stood at (₹194.24) crores as compared to (₹9.25) crores in six months period ended September 30, 2023 was mainly due to increase in work-in-progress and finished goods.

Employee benefits expenses

Employee benefits expenses increased by 25.95% from ₹70.72 crore in six month period ended September 30, 2023 to ₹89.07 crore in six month period ended September 30, 2024. This increase was primarily due to increase in labour cost because of increase in the business activity of the Company and also there was increase in performance incentives. As on September 30, 2024, we have total number of 3,230 employees comparative to total number of 2,827 employees as on September 30, 2023.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 16.92% from ₹16.49 crore for six month period ended September 30, 2023 to ₹13.70 crore for six month period ended September 30, 2024. The decrease in depreciation and amortization expenses was primarily on account of re-assessment of asset life at overseas centres.

Finance cost

Finance cost increased by 4.36% from ₹23.87 crore for six month period ended September 30, 2023 to ₹24.91 crore for six month period ended September 30, 2024. This increase in finance cost expenses was primarily due to due to increase in debt.

Other expenses

Other expenses increased by 12.84% from ₹94.52 crore in six month period ended September 30, 2023 to ₹106.66 crore for six month period ended September 30, 2024. This increase in other expenses was primarily on account of increase in freight cost.

Total Expenses

Total expenditure increased by 18.90% from ₹1,448.89 crore in six month period ended September 30, 2023 to ₹1,722.73 crore in six month period ended September 30, 2024. The increase is primarily attributable to the above reasons. Total expenses as a percentage of total income was 91.51% in six month period ended September 30, 2024 as against 91.87% in six month period ended September 30, 2023.

Profit before tax

Our profit before tax increased by 24.67% from ₹128.16 crore in six month period ended September 30, 2023 to ₹159.78 crore in six month period ended September 30, 2024 mainly on account of factors mentioned above.

Tax Expense

Tax expense was for six month period ended September 30, 2024 was ₹19.86 crore and ₹16.77 crore for six month period ended September 30, 2023, due to increase in profits.

Profit after tax

Our profit after tax increased by 25.61% from ₹111.39 Crore in six month period ended September 30, 2023 to ₹139.92 Crore in six month period ended September 30, 2024 mainly on account of factors mentioned above.

Fiscal Years Ended March 31, 2024 and March 31, 2023

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for Fiscal 2024 and Fiscal 2023, as derived from our Audited Consolidated Financial Statements:

(₹ in crores, unless specified)

Particulars	Year ended March 31, 2024	% of total income	Year ended March 31, 2023	% of total income
Income				
Revenue from Operations	3,160.75	97.60%	2,800.60	96.78%
Other Income	77.81	2.40%	93.08	3.22%
Total Income (I)	**3,238.56**	**100.00%**	**2,893.68**	**100.00%**
Expenses				
Cost of materials consumed	2,559.24	79.02%	2,295.42	79.33%
Purchases of stock-in-trade	13.05	0.40%	20.77	0.72%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(11.10)	(0.34%)	(34.17)	(1.18%)
Employee benefits expense	131.24	4.05%	133.56	4.62%
Finance costs	49.22	1.52%	39.14	1.35%
Depreciation and amortisation expenses	37.99	1.17%	23.96	0.83%
Other Expenses	184.77	5.71%	187.41	6.48%
Total expenses (II)	**2,964.41**	**91.53%**	**2,666.09**	**92.13%**
Profit before tax and share of (loss) in associate III = (I - II)	**274.15**	**8.47%**	**227.59**	**7.87%**
Share of (loss) in associate **(IV)***	-	-	(0.00)	0.00%
Profit before tax V = (III + IV)	**274.15**	**8.47%**	**227.59**	**7.87%**
Tax Expenses (VI)				
Current tax (including earlier years)	36.76	1.14%	30.53	1.06%
Deferred tax credit	(4.89)	(0.15%)	(7.03)	(0.24%)

Total tax expenses	**31.87**	**0.98%**	**23.50**	**0.81%**
Profit for the Year VII = (V- VI)	**242.28**	**7.48%**	**204.09**	**7.05%**
Total other comprehensive income, net of tax	(11.43)	(0.35%)	(0.34)	(0.01%)
Total comprehensive income for the year (V+VI)	230.85	7.13%	203.75	7.04%
Profit for the year attributable to:				
Owners of the Holding company	239.19	7.39%	201.10	6.95%
Non-controlling interests	3.09	0.09%	2.99	0.10%
Total other comprehensive income for the year attributable to:				
Owners of the Holding company	(12.45)	(0.38%)	(0.44)	(0.02%)
Non-controlling interests	1.02	0.03%	0.10	0.01%
Total comprehensive income for the year attributable to:				
Owners of the Holding company	226.74	7.00%	200.66	6.93%
Non-controlling interests	4.11	0.13%	3.09	0.11%
Earnings Per Equity Share (Basic and Diluted) (₹)	34.88		29.72	

**Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".*

Income

Revenue from operations

Revenue from operations increased by 12.86% from ₹2,800.60 Crore for the Fiscal 2023 to ₹3,160.75 Crore in Fiscal 2024. Revenue from operations as a percentage of Total Revenue was 97.60% for Fiscal 2024 compared to 96.78% for Fiscal 2023. This increase in revenue from operations was primarily driven by the following:

a. Sale of products including manufactured/recycled and traded goods increased by 12.73% from ₹2,786.73 Crore for the Fiscal 2023 to ₹3,141.40 Crore in Fiscal 2024.

b. Sale of services increased by 175.56% from ₹0.45 Crore for the Fiscal 2023 to ₹1.24 Crore in Fiscal 2024.

c. Other operating revenues including export incentives including the amortisation of government grants, job work income, and scrap sales, increased by 34.95% from ₹ 13.42 Crore for the Fiscal 2023 to ₹ 18.11 Crore in Fiscal 2024.

This increase was primarily due to improvement in realisation per tonne by 4 % and along with increase in sales volume by 9% and along with increase in the capacity from 2,27,919 MTPA to 2,90,859 MTPA.

Other Income

Other income decreased by 16.41% from ₹ 93.08 Crore for the Fiscal 2023 to ₹ 77.81 Crore for the Fiscal 2024, primarily on account of the following:

a. Interest income on bank deposits increased by 2039.47% from ₹ 0.38 Crore for the Fiscal 2023 to ₹8.13 Crore in Fiscal 2024;

b. Interest income on income tax refunds increased from ₹NIL Crore for the Fiscal 2023 to ₹ 0.42 Crore in Fiscal 2024;

c. Interest income on others increased by 536.11% from ₹ 0.36 Crore for the Fiscal 2023 to ₹ 2.29 Crore in Fiscal 2024;

Other non-operating income

a. Liabilities/provisions no longer required written back increased by 4,060.53% from ₹ 0.38 Crore for the Fiscal

2023 to ₹ 15.81 Crore in Fiscal 2024;

b. Miscellaneous income increased by 13.83% from ₹ 3.11 Crore for the Fiscal 2023 to ₹ 3.54 Crore in Fiscal 2024;

Other gains

a. Gain on disposal of property, plant and equipment decreased by 70.21% from ₹ 0.47 Crore for the Fiscal 2023 to ₹ 0.14 Crore in Fiscal 2024;

b. Gain on foreign currency exchange fluctuation (net) decreased by 71.90% from ₹ 31.60 Crore for the Fiscal 2023 to ₹ 8.88 Crore in Fiscal 2024;

c. Gain on foreign currency forward contracts increased from ₹NIL Crore for the Fiscal 2023 to ₹0.29 Crore Fiscal 2024;

d. Gain on commodity forward contracts decreased by 32.66% from ₹56.77 Crore for the Fiscal 2023 to ₹38.23 Crore in Fiscal 2024

e. Income from mutual funds carried at fair value through profit and loss increased by 700% from ₹ 0.01 Crore for the Fiscal 2023 to ₹ 0.08 Crore in Fiscal 2024

Other income as a percentage of Total Revenue decreased from 3.22% for Fiscal 2023 to 2.40% for Fiscal 2024.

Total Income

Total Revenue increased by 11.92% from ₹ 2,893.68 Crore for the Fiscal 2023 to ₹ 3,238.56 Crore for Fiscal 2024, primarily due to an increase in Revenue from Operations and Other Income as explained above.

Expenses

Total expenses increased by ₹ 298.32 crores or by 11.19%, from ₹ 2,666.09 crores in Fiscal 2023 to ₹ 2,964.41 crores in Fiscal 2024. This was primarily due to an increase in the cost of material consumed, changes in inventories of finished goods, work-in-progress and traded goods, employee benefit expense and depreciation and amortisation expenses.

Cost of materials consumed

Cost of materials consumed increased by 11.49% from ₹ 2,295.42 Crore for the Fiscal 2023 to ₹ 2,559.24 Crore for the Fiscal 2024, primarily due to increase in volumes;

Employee benefits expenses

Employee benefits expenses decreased by 1.74% from ₹ 133.56 Crore in Fiscal 2023 to ₹ 131.24 Crore in Fiscal 2024. Employee benefits expenses as a percentage of Total Income decreased from 4.62% in Fiscal 2023 to 4.05% in Fiscal 2024.

(a) Salaries, wages, and bonus - The expense on Salaries, wages, and bonus was ₹ 112.09 Crore for the Fiscal 2024 as against ₹ 111.49 Crore in Fiscal 2023 which indicates an increase of 0.54% primarily on account of increase in manpower and production

(b) Contribution to provident fund and other funds - The Contribution to provident fund and other funds was ₹ 5.62 Crore for the Fiscal 2023 as against ₹ 7.14 Crore in Fiscal 2024 which indicates an increase of 27.05% primarily on account of increase in minimum basic wages

(c) Employee share appreciation rights expenses – Employee share appreciation expense was ₹6.90 Crore for the Fiscal 2023 as against ₹0.00 Crore in Fiscal 2024 which indicates a decrease of 100.00% primarily on account of closure of Gravita Share Appreciation Right Scheme 2017.

(d) Staff welfare expense - The staff welfare expense was ₹ 12.01 Crore for the Fiscal 2024 as against ₹ 9.55

Crore in Fiscal 2023 which indicates an increase of 25.76% primarily on account of increase in staff welfare activities at all the overseas locations.

Other expenses

Other expenses decreased by 1.41% from ₹ 187.41 Crore in Fiscal 2023 to ₹ 184.77 Crore for Fiscal 2024. This increase in other expenses was primarily on account of the following:

(a) Power and fuel expenses were ₹ 23.98 Crore for the Fiscal 2024 as against ₹ 17.80 Crore in Fiscal 2023 which indicates an increase of 34.72%

(b) Rates and taxes were ₹ 4.73 Crore for the Fiscal 2024 as against ₹ 8.84 Crore in Fiscal 2023 which indicates a decrease of 46.49%;

(c) Consumption of stores and spare parts was ₹ 12.29 Crore for the Fiscal 2024 as against ₹ 9.85 Crore in Fiscal 2023 which indicates an increase of 24.77%;

(d) Legal and professional fees were ₹ 8.34 Crore for the Fiscal 2024 as against ₹ 6.49 Crore in Fiscal 2023 which indicates an increase of 28.51%;

(e) Repairs and maintenance of plant and machinery was ₹ 19.22 Crore for the Fiscal 2024 as against ₹ 18.25 Crore in Fiscal 2023 which indicates an increase of 5.29%;

(f) Repairs and maintenance of building was ₹ 1.69 Crore for the Fiscal 2024 as against ₹ 2.39 Crore in Fiscal 2023 which indicates a decrease of 29.29%;

(g) Repairs and maintenance of others was ₹ 6.14 Crore for the Fiscal 2024 as against ₹ 4.36 Crore in Fiscal 2023 which indicates an increase of 40.83%;

(h) Freight and forwarding was ₹ 50.31 Crore for the Fiscal 2024 as against ₹ 57.12 Crore in Fiscal 2023 which indicates a decrease of 11.92%;

(i) Travelling and conveyance were ₹ 10.02 Crore for the Fiscal 2024 as against ₹ 8.36 Crore in Fiscal 2023 which indicates an increase of 19.86%;

(j) Insurance expenses were ₹ 2.11 Crore for the Fiscal 2024 as against ₹ 1.38 Crore in Fiscal 2023 which indicates an increase of 52.90%;

(k) Rent was ₹ 4.91 Crore for the Fiscal 2024 as against ₹ 6.26 Crore in Fiscal 2023 which indicates a decrease of 21.57%;

(l) Sales commission was ₹ 1.28 Crore for the Fiscal 2024 as against ₹ 1.40 Crore in Fiscal 2023 which indicates a decrease of 8.57%;

(m) Advertising and sales promotion were ₹ 7.45 Crore for the Fiscal 2024 as against ₹ 6.04 Crore in Fiscal 2023 which indicates an increase of 23.34%;

(n) Communication expenses were ₹ 0.88 Crore for the Fiscal 2024 as against ₹ 0.62 Crore in Fiscal 2023 which indicates an increase of 41.94%;

(o) Allowance for expected credit loss on financial assets (including write off) was ₹ 2.44 Crore for the Fiscal 2024 as against ₹ 3.11 Crore in Fiscal 2023 which indicates a decrease of 21.54%;

(p) Net loss on foreign currency transactions and translation was ₹ 7.35 Crore for the Fiscal 2024 as against ₹ 4.16 Crore in Fiscal 2023 which indicates an increase of 76.68%;

(q) Loss on disposal/ discard of property, plant and equipment was ₹ 1.36 Crore for the Fiscal 2024 as against ₹ 0.52 Crore in Fiscal 2023 which indicates an increase of 161.54%;

(r) Loss on sale of investment was ₹NIL Crore for the Fiscal 2024 as against ₹ 4.50 Crore in Fiscal 2023 which indicates an decrease of 100.00%;

(s) Expenditure on corporate social responsibility was ₹ 1.45 Crore for the Fiscal 2024 as against ₹ 0.86 Crore in Fiscal 2023 which indicates an increase of 68.60%;

(t) Bank charges were ₹ 2.54 Crore for the Fiscal 2024 as against ₹ 4.36 Crore in Fiscal 2023 which indicates an decrease of 41.74%;

(u) Investment in associate written-off was ₹NIL Crore for the Fiscal 2024 as against ₹0.01 Crore in Fiscal 2023 which indicates a decrease of 100.00%;

(v) Contractual labour expenses were ₹ 6.64 Crore for the Fiscal 2024 as against ₹ 5.45 Crore in Fiscal 2023 which indicates an increase of 21.83%;

(w) Other financial assets written off were ₹NIL Crore for the Fiscal 2024 as against ₹ 6.49 Crore in Fiscal 2023;

(x) Loss on foreign currency forward contracts was ₹NIL Crore for the Fiscal 2024 as against ₹ 1.38 Crore in Fiscal 2023

(y) Miscellaneous expenses were ₹ 7.60 Crore for the Fiscal 2024 as against ₹ 5.73 Crore in Fiscal 2023 which indicates an increase of 32.87%;

(z) Loss by natural calamities were ₹ 2.02 Crore for the Fiscal 2024 as against ₹ 1.66 Crore in Fiscal 2023 which indicates an increase of 21.69%.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 58.56% from ₹ 23.96 Crore for Fiscal 2023 to ₹ 37.99 Crore for Fiscal 2024. The increase in depreciation and amortization expenses was primarily on account of increase in capital expenditure.

Finance cost

Finance cost increased by 25.75% from ₹ 39.14 Crore for Fiscal 2023 to ₹ 49.22 Crore for Fiscal 2024. This increase in finance cost expenses was primarily due to the following:

(i) Borrowings was ₹ 38.51 Crore for the Fiscal 2024 as against ₹ 27.41 Crore in Fiscal 2023 which indicates an increase of 40.50%;

(ii) Lease liabilities was ₹0.28 Crore for the Fiscal 2024 as against ₹0.27 Crore in Fiscal 2023 which indicates an increase of 3.70%;

(iii) Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs was ₹ 0.02 Crore for the Fiscal 2024 as against ₹ 2.45 Crore in Fiscal 2023 which indicates a decrease of 99.18%;

(iv) Other borrowing costs was ₹ 10.41 Crore for the Fiscal 2024 as against ₹ 9.01 Crore in Fiscal 2023 which indicates an increase of 15.54%;

Total Expenses

Total expenditure increased by 11.19% from ₹ 2,666.09 Crore in Fiscal 2023 to ₹ 2,964.41 Crore in Fiscal 2024. The increase is primarily attributable to increase in volumes, increase in finance cost and increase in employee benefit expenses. Total Expenses as a percentage of Total Income was 91.53% in Fiscal 2024 as against 92.13% in Fiscal 2023.

Profit before tax

Our profit before tax increased by 20.46% from ₹ 227.59 Crore in Fiscal 2023 to ₹ 274.15 Crore in Fiscal 2024 mainly on account of factors mentioned above.

Tax Expense

Tax expense was for Fiscal 2024 was ₹ 31.87 Crore and ₹ 23.50 Crore for Fiscal 2023, due to increase in profitability.

Profit after tax

Our Profit after tax increased by 18.71% from ₹ 204.09 Crore in Fiscal 2023 to ₹ 242.28 Crore in Fiscal 2024 mainly on account of factors mentioned above.

Financial Year 2023 compared with Financial Year 2022

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for Fiscal 2023 and Fiscal 2022, as derived from our Audited Financial Statements:

(₹ in crores, unless specified)

Particulars	Year ended March 31, 2023	% of total income	Year ended March 31, 2022	% of total income
Income				
Revenue from Operations	2,800.60	96.78%	2,215.87	99.65%
Other Income	93.08	3.22%	7.84	0.35%
Total Income (I)	**2,893.68**	**100.00%**	**2,223.71**	**100.00%**
Expenses				
Cost of materials consumed	2,295.42	79.33%	1,753.92	78.87%
Purchases of stock-in-trade	20.77	0.72%	44.20	1.99%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(34.17)	(1.18%)	(54.59)	(2.45%)
Employee benefits expense	133.56	4.62%	102.75	4.62%
Finance costs	39.14	1.35%	33.55	1.51%
Depreciation and amortisation expenses	23.96	0.83%	20.56	0.92%
Other Expenses	187.41	6.48%	158.68	7.14%
Total expenses (II)	**2,666.09**	**92.13%**	**2,059.07**	**92.60%**
Profit before tax and share of (loss) in associate (III) = (I-II)	**227.59**	**7.87%**	**164.64**	**7.40%**
Share of (loss) in associate **(IV)***	(0.00)	0.00%	(0.00)	0.00%
Profit before tax (V) = (III + IV)	**227.59**	**7.87%**	**164.64**	**7.40%**
Tax Expenses (VI)				
Current tax (including earlier years)	30.53	1.06%	16.18	0.73%
Deferred tax (credit)/charge	(7.03)	(0.24%)	0.01	0.00%
Total tax expenses	**23.50**	**0.81%**	**16.19**	**0.73%**
Profit for the Year VII = (V - VI)	**204.09**	**7.05%**	**148.45**	**6.68%**
Total other comprehensive income, net of tax	(0.34)	(0.01%)	(1.72)	(0.08%)
Total comprehensive income for the year (V+VI)	203.75	7.04%	146.73	6.60%
Profit for the year attributable to:				
Owners of the Holding company	201.10	6.95%	139.39	6.27%
Non-controlling interests	2.99	0.10%	9.06	0.41%
Total other comprehensive income for the year attributable to:				
Owners of the Holding company	(0.44)	(0.02%)	2.36	0.11%
Non-controlling interests	0.10	0.01%	(4.08)	(0.18%)
Total comprehensive income for the year attributable to:				
Owners of the Holding company	200.66	6.93%	141.75	6.37%
Non-controlling interests	3.09	0.11%	4.98	0.22%
Earnings Per Equity Share (Basic and	29.72		20.60	

Particulars	Year ended March 31, 2023	% of total income	Year ended March 31, 2022	% of total income
Diluted) (₹)				

***** *Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00.*

Income

Revenue from operations

Revenue from operations increased by 26.39% from ₹ 2,215.87 Crore for the Fiscal 2022 to ₹2,800.60 Crore in Fiscal 2023. Revenue from operations as a percentage of Total Income was 96.78% for Fiscal 2023 compared to 99.65% for Fiscal 2022. This increase in revenue from operations was primarily driven by the following:

(a) Sale of products including manufactured/recycled goods increased by 26.32% from ₹ 2206.02 Crore for the Fiscal 2022 to ₹ 2786.73 Crore in Fiscal 2023.

(b) Sale of services increased by 462.50% from ₹ 0.08 Crore for the Fiscal 2022 to ₹ 0.45 Crore in Fiscal 2023.

(c) Other operating revenues including export incentives including the amortisation of government grants, job work income, and scrap sales, increased by 37.36% from ₹ 9.77 Crore for the Fiscal 2022 to ₹ 13.42 Crore in Fiscal 2023.

This increase was primarily due to improvement in realisation per tonne by 8 %, increase in sales volume by 17%, along with increase in the capacity from 2,04,919 MTPA to 2,27,719 MTPA.

Other Income

Other income increased by 1087.24% from ₹ 7.84 Crore for the Fiscal 2022 to ₹ 93.08 Crore for the Fiscal 2023, primarily on account of the following:

(a) Interest income on bank deposits decreased by 5.00% from ₹ 0.40 Crore for the Fiscal 2022 to ₹0.38 Crore in Fiscal 2023;

(b) Interest income on others decreased by 25.00% from ₹ 0.48 Crore for the Fiscal 2022 to ₹ 0.36 Crore in Fiscal 2023;

Other non-operating income

(a) Liabilities/provisions no longer required written back decreased by 53.09% from ₹ 0.81 Crore for the Fiscal 2022 to ₹ 0.38 Crore in Fiscal 2023;

(b) Miscellaneous income increased by 99.36% from ₹ 1.56 Crore for the Fiscal 2022 to ₹ 3.11 Crore in Fiscal 2023;

Other gains

(a) Gain on disposal of property, plant and equipment increased by 327.27% from ₹ 0.11 Crore for the Fiscal 2022 to ₹ 0.47 Crore in Fiscal 2023;

(b) Gain on foreign currency exchange fluctuation (net) increased by 808.05% from ₹ 3.48 Crore for the Fiscal 2022 to ₹ 31.60 Crore in Fiscal 2023;

(c) Gain on foreign currency forward contracts decreased from ₹ 0.57 Crore for the Fiscal 2022 to ₹NIL Crore Fiscal 2023;

(d) Gain on commodity forward contracts increased from ₹NIL Crore for the Fiscal 2022 to ₹ 56.77 Crore in Fiscal 2023

(e) Income from mutual funds carried at fair value through profit and loss increased from ₹ 00.00 Crore for the Fiscal 2022 to ₹ 0.01 Crore in Fiscal 2023

(f) Gain on sale of Investment decreased by from ₹0.43 cr for the Fiscal 2022 to ₹ 0.00 Crore in Fiscal 2023

Other income as a percentage of Total Income increased from 0.35% for Fiscal 2022 to 3.22% for Fiscal 2023.

Total Income

Total Revenue increased by 30.13% from ₹ 2,223.71 Crore for the Fiscal 2022 to ₹ 2,893.68 Crore for Fiscal 2023, primarily due to an increase in Revenue from Operations and Other Income as explained above.

Expenses

Cost of materials consumed

Cost of materials consumed increased by 30.87% from ₹ 1,753.92 Crore for the Fiscal 2022 to ₹ 2,295.42 Crore for the Fiscal 2023, primarily due to due to increase in volumes;

Employee benefits expenses

Employee benefits expenses increased by 29.99% from ₹ 102.75 Crore in Fiscal 2022 to ₹ 133.56 Crore in Fiscal 2023. Employee benefits expenses as a percentage of Total Revenue stagnated from 4.62% in Fiscal 2022 to 4.62% in Fiscal 2023.

(a) Salaries, wages, and bonus - The expense on Salaries, wages, and bonus was ₹ 111.49 Crore for the Fiscal 2023 as against ₹ 88.61 Crore in Fiscal 2022 which indicates an increase of 25.82% primarily on account of due to increase in manpower and production.

(b) Contribution to provident fund and other funds - The Contribution to provident fund and other funds was ₹ 4.15 Crore for the Fiscal 2022 as against ₹ 5.62 Crore in Fiscal 2023 which indicates an increase of 35.42% primarily on account of increase in manpower.

(c) Employee share appreciation rights expenses – Employee share appreciation expense was ₹ 4.73 Crore for the Fiscal 2022 as against ₹ 6.90 Crore in Fiscal 2023 which indicates an increase of 45.88% primarily on account of increase in fair valuation of options granted under Gravita Stock Appreciation Right Scheme 2017

(d) Staff welfare expense - The staff welfare expense was ₹ 9.55 Crore for the Fiscal 2023 as against ₹ 5.26 Crore in Fiscal 2022 which indicates an increase of 81.56% primarily on account of welfare schemes of employees of Group.

Other expenses

Other expenses increased by 18.11% from ₹ 158.68 Crore in Fiscal 2022 to ₹ 187.41 Crore for Fiscal 2023. This increase in other expenses was primarily on account of the following:

(a) Power and fuel expenses were ₹ 17.80 Crore for the Fiscal 2023 as against ₹ 16.77 Crore in Fiscal 2022 which indicates an increase of 6.15%

(b) Rates and taxes were ₹ 8.84 Crore for the Fiscal 2023 as against ₹ 10.55 Crore in Fiscal 2022 which indicates a decrease of 16.21%;

(c) Consumption of stores and spare parts was ₹ 9.85 Crore for the Fiscal 2023 as against ₹ 6.03 Crore in Fiscal 2022 which indicates an increase of 63.35%;

(d) Legal and professional fees were ₹ 5.53 Crore for the Fiscal 2023 as against ₹ 3.49 Crore in Fiscal 2022 which indicates an increase of 58.50%;

(e) Repairs and maintenance of plant and machinery was ₹ 18.25 Crore for the Fiscal 2023 as against ₹ 13.37 Crore in Fiscal 2022 which indicates an increase of 36.50%;

(f) Repairs and maintenance of building was ₹ 2.39 Crore for the Fiscal 2023 as against ₹ 1.10 Crore in Fiscal

2022 which indicates an increase of 117.27%;

(g) Repairs and maintenance of others was ₹ 4.36 Crore for the Fiscal 2023 as against ₹ 3.10 Crore in Fiscal 2022 which indicates an increase of 40.65%;

(h) Freight and forwarding was ₹ 57.12 Crore for the Fiscal 2023 as against ₹ 46.40 Crore in Fiscal 2022 which indicates an increase of 23.10%;

(i) Travelling and conveyance were ₹ 8.36 Crore for the Fiscal 2023 as against ₹ 5.23 Crore in Fiscal 2022 which indicates an increase of 59.85%;

(j) Insurance expenses were ₹ 1.38 Crore for the Fiscal 2023 as against ₹ 0.87 Crore in Fiscal 2022 which indicates an increase of 58.62%;

(k) Rent was ₹ 6.26 Crore for the Fiscal 2023 as against ₹ 3.82 Crore in Fiscal 2022 which indicates an increase of 63.87%;

(l) Sales commission was ₹ 1.40 Crore for the Fiscal 2023 as against ₹NIL Crore in Fiscal 2022

(m) Advertising and sales promotion were ₹ 6.04 Crore for the Fiscal 2023 as against ₹ 5.78 Crore in Fiscal 2022 which indicates an increase of 4.50%;

(n) Communication expenses were ₹ 0.62 Crore for the Fiscal 2023 as against ₹ NIL Crore in Fiscal 2022;

(o) Allowance for expected credit loss on financial assets (including write off) was ₹ 3.11 Crore for the Fiscal 2023 as against ₹ 1.08 Crore in Fiscal 2022 which indicates an increase of 187.96%;

(p) Net loss on foreign currency transactions and translation was ₹ 4.16 Crore for the Fiscal 2023 as against ₹ 0.20 Crore in Fiscal 2022 which indicates an increase of 1980.00%;

(q) Loss on disposal/ discard of property, plant and equipment was ₹ 0.52 Crore for the Fiscal 2023 as against ₹ 2.13 Crore in Fiscal 2022 which indicates a decrease of 75.59%;

(r) Loss on sale of investment was ₹ 4.50 Crore for the Fiscal 2023 as against ₹NIL Crore in Fiscal 2022;

(s) Expenditure on corporate social responsibility was ₹ 0.86 Crore for the Fiscal 2023 as against ₹ 0.64 Crore in Fiscal 2022 which indicates an increase of 34.38%;

(t) Bank charges were ₹ 4.36 Crore for the Fiscal 2023 as against ₹ 4.44 Crore in Fiscal 2022 which indicates an decrease of 1.80%;

(u) Donation & Scholarship were ₹ 0.02 Crore for the Fiscal 2023 as against Rs 0.08 Crore in Fiscal 2022 which indicates a decrease of 75.00%;

(v) Payment to Auditors were ₹ 0.97 Crore for the Fiscal 2023 as against Rs 1.04 Crore in Fiscal 2022 which indicates decrease of 6.73%;

(w) Investment in associate written-off was ₹ 0.01 Crore for the Fiscal 2023 as against ₹NIL Crore in Fiscal 2022;

(x) Contractual labour expenses were ₹ 5.45 Crore for the Fiscal 2023 as against ₹ 1.70 Crore in Fiscal 2022 which indicates an increase of 220.59%;

(y) Other financial assets written off were ₹ 6.49 Crore for the Fiscal 2023 as against ₹ 1.48 Crore in Fiscal 2022 which indicates an increase of 338.51%;

(z) Loss on foreign currency forward contracts was ₹ 1.38 Crore for the Fiscal 2023 as against ₹NIL Crore in Fiscal 2022;

(aa) Loss on commodity forward contracts was ₹NIL Crore for the Fiscal 2023 as against ₹ 24.31 Crore in Fiscal 2022;

(bb) Miscellaneous expenses were ₹ 5.72 Crore for the Fiscal 2023 as against ₹ 5.07 Crore in Fiscal 2022 which indicates an increase of 12.82%;

(cc) Loss by natural calamities were ₹ 1.66 Crore for the Fiscal 2023 as against ₹NIL Crore in Fiscal 2022.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 16.54% from ₹ 20.56 Crore for Fiscal 2022 to ₹ 23.96 Crore for Fiscal 2023. The increase in depreciation and amortization expenses was primarily on account of increase in capex.

Finance cost

Finance cost increased by 16.66% from ₹ 33.55 Crore for Fiscal 2022 to ₹ 39.14 Crore for Fiscal 2023. This increase in finance cost expenses was primarily due to the following:

a) Borrowings was ₹ 27.41 Crore for the Fiscal 2023 as against ₹ 23.22 Crore in Fiscal 2022 which indicates a increase of 18.04%;

b) Lease liabilities was ₹ 0.27 Crore for the Fiscal 2023 as against ₹ 0.60 Crore in Fiscal 2022 which indicates a decrease of 55.00%;

c) Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs was ₹ 2.45 Crore for the Fiscal 2023 as against ₹ 5.69 Crore in Fiscal 2022 which indicates a decrease of 56.94%;

d) Other borrowing costs was ₹ 9.01 Crore for the Fiscal 2023 as against ₹4.04 Crore in Fiscal 2022 which indicates an increase of 123.02%;

Total Expenses

Total expenditure increased by 29.48% from ₹2,059.07 Crore in Fiscal 2022 to ₹2,666.09 Crore in Fiscal 2023. The increase is primarily attributable to increase in sales volumes. Total Expenses as a percentage of Total Revenues was 92.13% in Fiscal 2023 as against 92.60% in Fiscal 2022.

Profit before tax

Our profit before tax increased by 38.23% from ₹164.64 Crore in Fiscal 2022 to ₹227.59 Crore in Fiscal 2023 mainly on account of factors mentioned above.

Tax Expense

Tax expense was for Fiscal 2023 was ₹23.50 Crore and ₹16.19 Crore for Fiscal 2022, due to increase in profitability.

Profit after tax

Our Profit after tax increased by 37.48% from ₹148.45 Crore in Fiscal 2022 to ₹204.09 Crore in Fiscal 2023 mainly on account of factors mentioned above.

CASH FLOW

Our cash is generated by sales of our products that is used to fund investments and service loans and interest towards borrowings. The table below summarizes our cash flows for the six-month period ended September 30, 2024 and the Financial Years 2024, 2023 and 2022:

(₹ in crores)

	For the six-month period ended	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**

	September 30, 2024 (unaudited)			
Profit before Tax	159.78	274.15	227.59	164.64
Operating Profit before working capital changes	214.28	336.90	305.31	231.15
Net cash from Operating Activities - (A)	66.36	42.40	199.66	10.00
Net cash (used) in Investing Activities - (B)	(9.14)	(157.81)	(105.35)	(69.88)
Net cash flow (used)/generated From Financing Activities - (C)	(59.65)	120.85	(87.37)	71.98
Net increase/Decrease in cash & cash equivalent (A+B+C)	(2.43)	5.44	6.95	12.10
Opening cash and cash equivalent at the beginning of period/year	35.81	30.37	23.42	11.32
Closing cash and cash equivalent at the end of period/year	33.38	35.81	30.37	23.42

Cash flow from/ (used in) operating activities

Net cash from operating activities includes funds generated from our operating activities and net cash inflows or outflows from changes in operating assets and liabilities

September 30, 2024

Net cash generated from operating activities for the six-month period ended September 30, 2024 was ₹66.36 crores while our profit before taxation was ₹159.78 crores. We had an operating profit before working capital changes of ₹214.28 crores. The difference in net cash generated from operating activities and operating profit before working capital changes was primarily on account of adjustments for changes in operating assets like inventories amounting to ₹(149.40) Crore, trade receivables amounting to ₹58.89 Crore, other current and non-current assets amounting to ₹(67.71) Crore, and other current and non current financial assets amounting to ₹(66.93) Crore, alongside adjustments for changes in operational liabilities including trade payables amounting to ₹32.49 Crore, other current and non-current financial liabilities amounting to ₹59.05 Crore, other current and non-current liabilities amounting to ₹3.75 Crore, and provisions amounting to ₹1.80 Crore.

Fiscal 2024

Cash generated from operating activities for Fiscal 2024 was ₹42.40 Crore while our net profit before taxation was ₹274.15 Crore. We had an operating profit before working capital changes of ₹336.90 Crore. The difference in net cash generated from operating activities and operating profit before working capital changes was primarily on account of adjustments for changes in operating assets like inventories amounting to ₹(53.41) Crore, trade receivables amounting to ₹(129.75) Crore, other current and non-current assets amounting to ₹5.46 Crore, and other current and non current financial assets amounting to ₹(37.70) Crore, alongside adjustments for changes in operational liabilities including trade payables amounting to ₹(21.72) Crore, other current and non-current financial liabilities amounting to ₹(10.42) Crore, other current and non-current liabilities amounting to ₹(1.16) Crore, and provisions amounting to ₹3.78 Crore.

Fiscal 2023

Cash generated from operating activities for Fiscal 2023 was ₹ 199.66 Crore while our net profit before taxation was ₹ 227.59 Crore. We had an operating profit before working capital changes of ₹ 305.31 Crore. The difference in net cash generated from operating activities and operating profit before working capital changes was primarily on account of adjustments for changes in operating assets like inventories amounting to ₹(87.52) Crore, trade receivables amounting to ₹(39.71) Crore, other current and non-current assets amounting to ₹6.86 Crore, and other current and non current financial assets amounting to ₹(11.77) Crore, alongside adjustments for changes in operational liabilities including trade payables amounting to ₹35.85 Crore, other current and non-current financial liabilities amounting to ₹3.58 Crore, other current and non-current liabilities amounting to ₹14.10 Crore, and provisions amounting to ₹(3.54) Crore.

Fiscal 2022

Cash generated from operating activities for Fiscal 2022 was ₹10.00 Crore while our net profit before taxation was ₹164.64 Crore. We had an operating profit before working capital changes of ₹231.15 Crore. The difference in net cash generated from operating activities and operating profit before working capital changes was primarily on account of adjustments for changes in operating assets like inventories amounting to ₹(155.75) Crore, trade receivables amounting to ₹(51.36) Crore, other current and non-current assets amounting to ₹13.33 Crore, and other current and non current financial assets amounting to ₹(7.83) Crore, alongside adjustments for changes in operational liabilities including trade payables amounting to ₹(159.84) Crore, other current and non-current financial liabilities amounting to ₹58.51 Crore, other current and non-current liabilities amounting to ₹1.87 Crore, and provisions amounting to ₹5.10 Crore.

Cash flow from/ (used in) investing activities

September 30, 2024

Net cash used in investing activities was ₹(9.14) crores for the six-month period ended September 30, 2024, consisting of capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances) amounting to ₹(27.81) Crore, proceeds from sale of property, plant and equipment amounting to ₹0.18 Crore, interest received amounting to ₹ 4.06 Crore, movement in bank balances not considered cash and cash equivalents amounting to ₹(5.37) Crore, and movement in current investments (net) amounting to ₹ (9.06) Crore.

Fiscal 2024

Net cash used in investing activities was ₹157.81 Crore for Fiscal 2024, consisting of capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances) amounting to ₹(98.18) Crore, proceeds from sale of property, plant and equipment amounting to ₹0.14 Crore, interest received amounting to ₹10.84 Crore, movement in bank balances not considered cash and cash equivalents amounting to ₹(55.22) Crore, and purchase of investments amounting to ₹(15.39) Crore.

Fiscal 2023

Net cash used in investing activities was ₹105.35 Crore for Fiscal 2023, consisting of capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances) amounting to ₹(107.76) Crore, proceeds from sale of property, plant and equipment amounting to ₹1.41 Crore, interest received amounting to ₹0.74 Crore, movement in bank balances not considered cash and cash equivalents amounting to ₹1.36 Crore, and purchase of investments amounting to ₹(1.10) Crore.

Fiscal 2022

Net cash used in investing activities was ₹69.88 Crore for Fiscal 2022, consisting of capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances) amounting to ₹(72.80) Crore, proceeds from sale of property, plant and equipment amounting to ₹2.60 Crore, interest received amounting to ₹0.88 Crore, movement in bank balances not considered cash and cash equivalents amounting to ₹(0.56) Crore, and proceeds from sale of investments amounting to ₹0.43 Crore.

Cash flow from / (used in) financing activities

September 30, 2024

Net cash generated from financing activities was ₹(59.65) crores for the six-month period ended September 30, 2024 as a result of repayment of non-current borrowings amounting to ₹(3.79) Crore, proceeds from current borrowings amounting to ₹4.64 Crore, payment of lease liabilities amounting to ₹(0.31) Crore, finance costs paid amounting to ₹(24.11) Crore and dividend paid amounting to ₹(35.38) Crore.

Fiscal 2024

Net cash generated from financing activities was ₹ 120.85 Crore for Fiscal 2024 as a result of proceeds from non-current borrowings amounting to ₹240.75 Crore, repayment of non-current borrowings amounting to ₹(81.93)

Crore, proceeds from current borrowings amounting to ₹40.87 Crore, payment of lease liabilities amounting to ₹(1.09) Crore, finance costs paid amounting to ₹(48.24) Crore and dividend paid amounting to ₹(29.51) Crore.

Fiscal 2023

Net cash used in financing activities was ₹87.37 Crore for Fiscal 2023 as a result of proceeds from non-current borrowings amounting to ₹20.98 Crore, repayment of non-current borrowings amounting to ₹(40.11) Crore, proceeds from repayment of current borrowings amounting to ₹(24.21) Crore, payment of lease liabilities amounting to ₹(0.83) Crore, finance costs paid amounting to ₹(38.87) Crore and dividend paid amounting to ₹(4.32) Crore.

Fiscal 2022

Net cash generated from financing activities was ₹71.98 Crore for Fiscal 2022 as a result of proceeds from non-current borrowings amounting to ₹103.69 Crore, repayment of non-current borrowings amounting to ₹(44.78) Crore, proceeds from current borrowings amounting to ₹72.65 Crore, payment of lease liabilities amounting to ₹(2.19) Crore, finance costs paid amounting to ₹(33.56) Crore and dividend paid amounting to ₹(23.83) Crore.

Indebtedness

As of September 30, 2024, we had total borrowings (consisting of non-current borrowings, current borrowings, and current maturities of non-current borrowings) of ₹ 556.87 crores, of which ₹257.89 crores were non-current borrowings and ₹298.98 crores were current borrowings and current maturities of non-current borrowings. Our net debt to equity ratio was 0.60 as of September 30, 2024.

The total indebtedness as on September 30, 2024, are set as follows:

Sr. No.	Particulars	Amount (₹ in crores)
1	Term Loans from Banks	297.36
2	Working Capital Facility from Bank	259.16
	Total	**556.87**

LIQUIDITY AND CAPITAL RESOURCES

Capital Expenditure

Our historical capital expenditure were, and we expect our future capital expenditure to be, primarily for investments in property, plant and equipment for our recycling facilities. We have undertaken significant capital expenditure with a view to further enhance our manufacturing capacities to process the additional scrap available and to expand into newer segments such as Rubber recycling and copper recycling.

For the Fiscals 2024, 2023 and 2022, our capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances) aggregated to ₹98.18 crores, ₹ 107.76 crores and ₹ 72.80 crores, respectively.

Liquidity and Capital Resources

Our primary liquidity needs have been to finance our operations, working capital needs, dividend payments and debt servicing. We rely upon retained earnings and borrowings to supplement our capital needs.

Contractual Obligations

The following table sets forth a summary of the maturity profile for our Company's outstanding long-term debt obligations including current maturity and short-term and long-term debt as of the periods indicated:

Sr. No.	Particulars	Amount (₹ in crores)
1	Term Loans from Banks	297.36
2	Working Capital Facility from Bank	259.16
	Total	**556.87**

There are a number of covenants in our financing agreements that we have entered into with our lenders. Further, some of our financing agreements include conditions and covenants that require us to obtain their consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business.

Seasonality

See "- *Key Factors Affecting our Results of Operations - Seasonality and Weather Conditions*" on page 111.

Unusual or infrequent events or transactions

Except as described in this Placement Document, no unusual or infrequent events or transactions has taken place that have in the past or may in the future affect our business operations or future financial performance.

Changes in accounting policy

There have been no changes in our Company's accounting policies during the last three financial years.

Significant Economic Changes

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Known trends or uncertainties

Other than as described in the sections "*Risk Factors*" and "*Management's Discussion and Analysis of Factors affecting the Financial Condition, Results of Operations*", beginning on pages 48 and 111 respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

Related party transactions

We enter into various transactions with related parties. For further information, see "*Related Party Transactions*" beginning on page 110.

Off-Balance Sheet commitments and arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "*Significant factors affecting our results of operations" and the uncertainties described in the chapter titled "Risk Factors*" beginning on pages 111 and 48, respectively. To our knowledge, except as disclosed in this Placement Document, there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Contingent Liabilities and Capital Commitments

The following table sets forth a summary of the maturity profile for our Company's outstanding long-term debt obligations including current maturity and short-term and long-term debt as of the periods indicated:

Particulars	**As at March 31, 2024 (₹in Crore)**
Bank guarantees	
- Bank guarantee given by the Group Companies	11.18
Claim against the Group not acknowledged as debt(i)	
- Excise Duty/Customs Duty/Service Tax/Goods and Service Tax	78.63

Total	**89.81**

1. *All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liability could arise on the Group on account of these proceedings.*
2. *During the current year, the Holding Company has filed an appeal against the demand order received from the Office of the Commissioner of Customs (Preventive), Jodhpur amounting to Rs. 70.10 crore (excluding applicable interest, fine and penalty) for violating the 'pre-import conditions' as envisaged in advance authorisation licence pertaining to the period from October, 2017 to January 2019 vide notification no. 79/2017-Customs dated 17/10/2017 of The Custom Act, 1962. The management of the Holding Company, based on its overall assessment and independent legal and tax opinion believe that the Holding Company has a case on merit and question of law and accordingly, contest the matter in appellate authorities. Basis above, the management of the Holding Company is of the view that the order will not have any material impact on its consolidated financial statements and in case of any liability devolves on the Holding Company, the Holding Company will be entitled to take the credit of the tax amount. Considering all available records, facts and opinion of legal and tax counsel, the Holding Company has not identified any adjustments in the current year consolidated financial statements.*

Commitments

As at March 31, 2024, the estimated amount of contract remaining to be executed on capital account and not provided in the books (net of capital advances) are as follows:

Particulars	As at March 31, 2024 (₹in crore)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	8.87
Other Commitments related to export obligations pertaining to the Holding company	17.90
Total	**26.77**

Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, commodity risk, credit risk and foreign currency exchange rate risk.

Interest rate risk

Interest rates for borrowings have been fluctuating in India in recent periods. Our current debt facilities typically carry variable rates of interest. Increase in interest rates would increase interest expenses relating to our outstanding borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt, which in turn may adversely affect our results of operations. We do not have a policy to enter into hedging arrangements against interest rate fluctuations.

Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to our Company. Our Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. Our Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Our Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

Liquidity Risk

Liquidity risk is the risk that our Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Our Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. Our Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Our Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. Our Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Foreign Exchange Risk

We are exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of our Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, our Company adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Our Company's exposure to foreign currency changes for all other currencies which are not stated below is not material.

Price Risk

Our Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, our Company diversifies its portfolio of assets. There are no investments held by our Company which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence our Company is not exposed to price risk.

Interest Coverage Ratio

The interest coverage ratio, which we define as earnings before interest, depreciation and tax divided by finance cost for Fiscals 2024, 2023 and 2022 are as follows:

(₹ in crores)

Period	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Profit before tax	274.15	227.59	164.64
Finance Cost (Add)	49.22	39.14	33.55
Depreciation (Add)	37.99	23.96	20.56
Other Income (Less)	77.81	93.08	7.84
EBITDA	283.55	197.61	210.91
Interest	**49.2**	**36.69**	**27.86**
Interest coverage ratio (EBITDA/Interest Cost)	**5.76**	**5.39**	**7.57**

Significant developments after September 30, 2024 that may affect our future results of operations

Except as stated in this Placement Document, to our knowledge no circumstances have arisen since the date of the last financial information as disclosed in this Placement Document:

Summary of reservations or qualification or adverse remarks in the auditors' report in the last five Financial Years immediately preceding the year of filing this Placement Document and their impact on the financial statements and financial position of our Company, the correct steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark

Except as disclosed below, there are no reservations or qualifications or adverse remarks in the auditors' report in the last five Financial Years immediately preceding the year of filing this Placement Document:

Limited reviewed unaudited financial statements of the Company as at and for the period ended on September 30, 2024

The Group has not accounted for the employee benefit expenses in the accompanying Consolidated Financial Statements for the year ended 31 March 2024 related to gain on sale of certain treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') terminated during the year, which has been credited to Other Equity as per Ind AS 32, Financial Instruments: Presentation. As explained in the said note, proceeds from sale of such treasury shares, net of liability of the Trust, if any, are proposed to be used for the welfare of the employees of the Group, as required under applicable statutory regulations and as per the terms of the trust deed. In our view, the Group should account for such benefits to be given to employees as employee benefit expenses in the Statement of Profit and Loss in accordance with the principles of Ind AS 102 – Share Based Payments. However, the Group has created a liability for such employee welfare expense by directly debiting 'Other Equity' in the accompanying Consolidated Financial Statements.

Had the Group accounted for the aforesaid transaction in accordance with the requirements as stated above, employee benefit expenses would be higher by ₹20.67 crores and profit before tax and total comprehensive income would have been lower by ₹20.67 crores for the year ended 31 March 2024 as well as quarter and six month period ended 30 September, 2024 however, there would not be any impact on the Other Equity of the Group as on such dates. Our audit opinion on the consolidated financial results of the group for the year ended 31st March 2024 and our conclusion on the consolidated financial of the group for the quarter and six- months period ended 30 September 2024 was qualified in respect to this matter

Consequently, our conclusion on the accompanying Statements is also qualified because of the effects of this matter on the comparability of current period figures with the corresponding figures of the employee benefit expenses and total comprehensive income for the year ended 31st March 2024 as well as quarter and six-month ended 30 September 2024 presented in the accompanying statements

Year ended on March 31, 2024

The Group has not accounted for the employee benefit expenses in the accompanying Consolidated Financial Statements for the year ended 31 March 2024 related to gain on sale of certain treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') terminated during the year, which has been credited to Other Equity as per Ind AS 32, Financial Instruments: Presentation. As explained in the said note, proceeds from sale of such treasury shares, net of liability of the Trust, if any, are proposed to be used for the welfare of the employees of the Group, as required under applicable statutory regulations and as per the terms of the trust deed. In our view, the Group should account for such benefits to be given to employees as employee benefit expenses in the Statement of Profit and Loss in accordance with the principles of Ind AS 102 – Share Based Payments. However, the Group has created a liability for such employee welfare expense by directly debiting 'Other Equity' in the accompanying Consolidated Financial Statements.

Had the Group accounted for the aforesaid transaction in accordance with the requirements as stated above, employee benefit expenses would be higher by ₹20.67 crores and profit before tax and total comprehensive income would have been lower by ₹20.67 crores for the year ended 31 March 2024, respectively. There would not be any impact on the Other Equity of the Group.

Year ended on March 31, 2023

Nil

Year ended on March 31, 2022

Nil

Year ended on March 31, 2021

Nil

Year ended on March 31, 2020

Nil

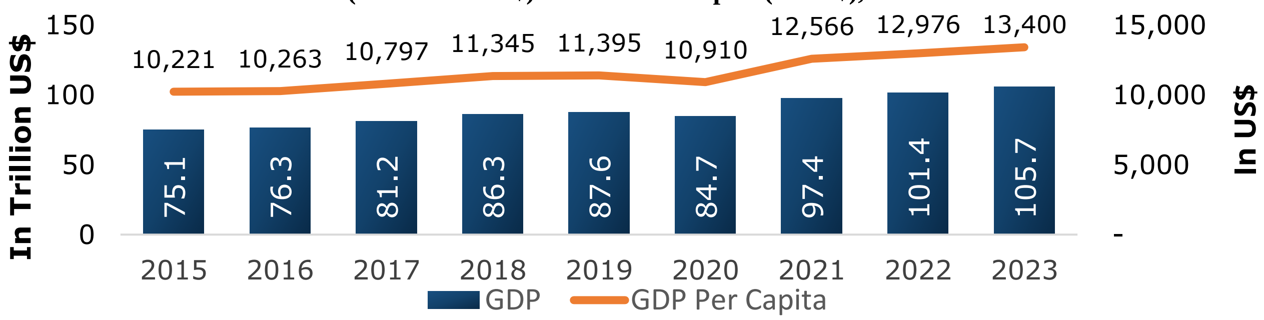
Global and India Economy Overview

Global Economic Overview

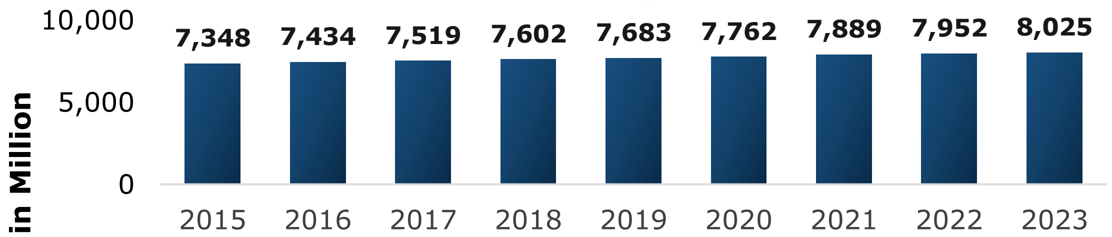
Growing GDP, Rising Population, Increasing Plastic Waste indicate Wider Opportunities for Plastic Recycling

In 2023, the global GDP reached a value of US$ 105.7 Trillion. As economies expand, particularly in emerging markets, disposable incomes rise, driving higher consumer demand, especially for plastic-packaged goods in industries like food, beverages, and retail. This surge in consumption results in greater plastic waste generation, presenting a growing challenge for waste management systems. These factors, combined with heightened environmental awareness and increasing regulatory pressures on plastic production and disposal, are driving the need for more effective plastic recycling solutions. As a result, there are substantial opportunities for recycling technologies, and circular economy models.

Global: GDP (in Trillion US$) & GDP Per Capita (in US$), at Current Prices



Global Total Population (in Million)

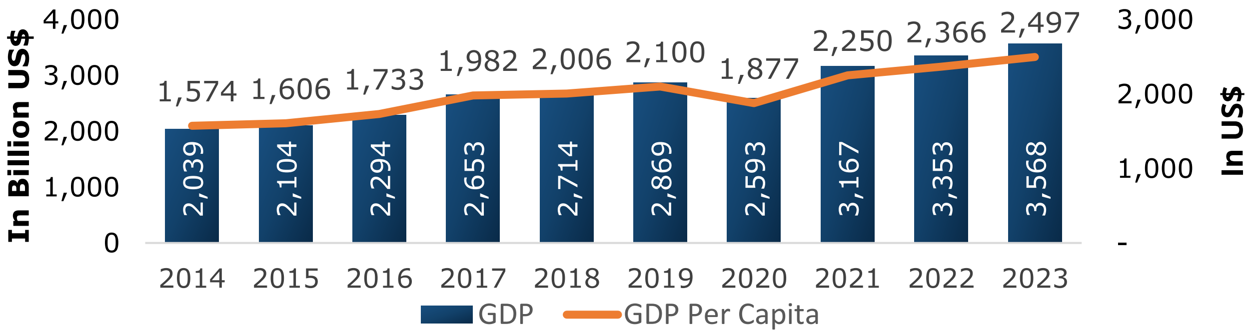


India Economic Overview

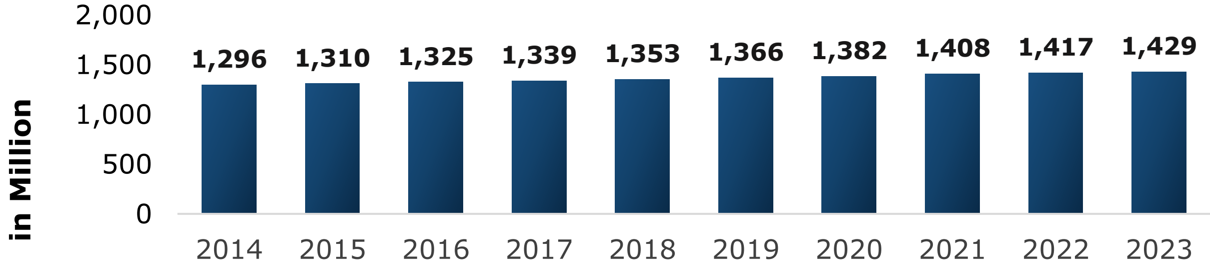
Growing GDP, Rising Population, Increasing Plastic Waste indicate Wider Opportunities for Plastic Recycling

In 2023, the GDP of India reached a value of US$ 3,568 Billion. Plastic pollution remains a complex and pressing issue in India, as the country grapples with the challenges of managing its plastic consumption and waste. The informal sector, including small-scale recyclers and waste pickers, plays a critical role in plastic recycling but operates largely without proper regulation leading to environmental and health risks for workers. In response, the Government launched the Waste to Wealth Mission in 2021 to create financially viable and sustainable circular economy models for waste management. The revisions to the EPR guidelines are expected to stimulate demand for high-quality recyclates and improve plastic waste collection systems. International collaborations also play a key role, with India becoming the first Asian country to launch the Plastics Pact in 2021, demonstrating India's commitment to sustainable plastic waste management.

India: GDP (in Billion US$) & GDP Per Capita (in US$), at Current Prices



India Total Population (in Million)



Global Metal Recycling Industry

Market Overview

Global: Metal Recycling Market: Key Industry Highlights, 2023 and 2032

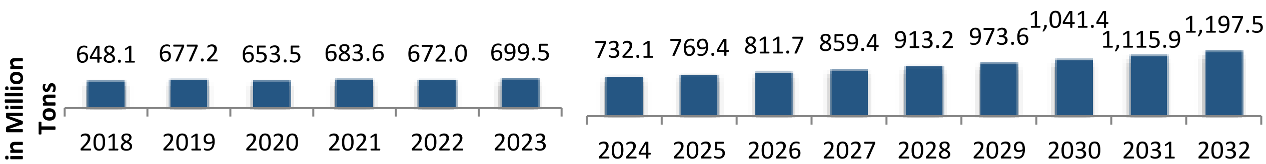
Global	2023	2032	CAGR 2023-2032
lobal Metal Recycling Market: Sales olume (in Million Tons)	699.5	1,197.5	6.2%

Market Performance

The global metal recycling market reached a volume of 699.5 Million Tons in 2023, growing at a CAGR of 1.5% during 2018-2023.

The demand for global metal recycling market is fueled by rapid industrialization, urbanization, and growing environmental awareness. The increasing requirements for raw materials, driven by expanding construction activities, automobile production, and infrastructure projects, are progressively being met through recycled metals, thereby reducing dependency on virgin resources and promoting recycled industry’s growth.

Global: Metal Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Performance

In 2023, Aluminium recycling accounted for a share of 3.6% of the total metal recycling market.
Similarly, Lead recycling accounted for a share of 1.3% of the global metal recycling market in 2023. Moreover, the other category of metals accounted a share of 95.1% in metal recycling market globally.

Market Forecast

The growing construction activities across regions like Europe and Asia-Pacific are anticipated to drive the expansion of the metal recycling market. The rapid economic development fueled by globalization and industrialization is expected to significantly accelerate the demand for metal recycling in the coming years.

Global Lead and Aluminium Recycling Industry

Market Overview

Global: Lead and Aluminium Recycling Market: Key Industry Highlights, 2023 and 2032

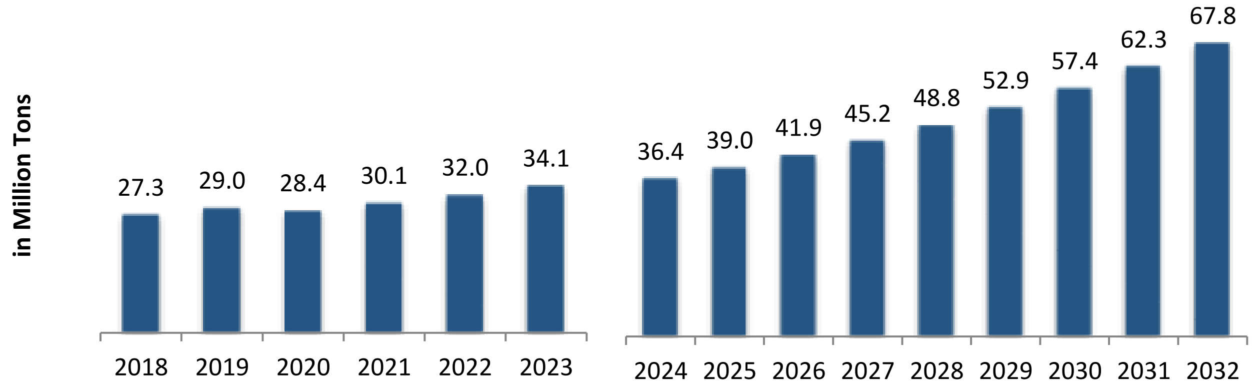
Market by Region	2023 (in Million Tons)	Market Share 2023 (%)
Asia Pacific	16.5	48.3%
North America	7.9	23.1%
Europe	6.9	20.3%
Middle East & Africa	1.6	4.7%
Latin America	1.2	3.6%

Market Performance

The global lead and aluminium recycling market reached a volume of 34.1 Million Tons in 2023, growing at a CAGR of 4.5% during 2018-2023.

The global demand for lead and aluminum recycling is fostered by a heightened emphasis on sustainability, resource conservation, and cost efficiency across industries. Growing concerns about environmental impact and the need to reduce carbon footprints are prompting businesses to embrace recycled lead and aluminum materials as a more sustainable alternative to primary metals.

Global: Lead and Aluminium Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Breakup by Region

- In 2023, Asia Pacific represented the largest lead and aluminium recycling market, accounting for 48.3% of the total market.
- Asia Pacific was followed by North America (23.1%*)*, Europe (20.3%), Middle East and Africa (4.7%) and Latin America (3.6%).

Asia Pacific

- In 2023, China represented the largest lead and aluminium recycling market, accounting for 53.7% of the total Asia Pacific lead and aluminium recycling market.
- China was followed by India (16.3%), South Korea (10.0%), Japan (4.9%), Australia (1.9%), Indonesia (0.8%) and others (12.6%).

North America

- In 2023, United States represented the largest lead and aluminium recycling market, accounting for 97.0% of the North America lead and aluminium recycling market.
- On the other hand, Canada accounted for the remaining share of 3.0% of the total North America lead and aluminium recycling market.

Europe

- In 2023, Germany represented the largest lead and aluminium recycling market, accounting for 21.7% of the total Europe lead and aluminium recycling market.
- Germany was followed by Russia (17.0%), United Kingdom (14.4%), Italy (10.2%), France (8.7%), Spain (6.8%), and others (21.4%)

Middle East and Africa

- In 2023, GCC represented the largest lead and aluminium recycling market, accounting for a share of 48.3% of the total Middle East & Africa lead and aluminium recycling market.
- GCC was followed by South Africa (16.9%), and others (34.8%).

Latin America

- In 2023, Brazil represented the largest lead and aluminium recycling market, accounting for 35.1% of the Latin America lead and aluminium recycling market.
- Brazil was followed by Mexico (22.6%) and others (42.3%).

Market Forecast

Looking forward, we expect the global lead and aluminium recycling market to grow at a CAGR of around 8.1% during 2024-2032, reaching a volume of 67.8 Million Tons by 2032.
Moreover, the establishment of new plants is escalating the market growth. For example, in September 2024, Hydro inaugurated a new aluminum recycling facility in Szekesfehervar, Hungary, with an annual capacity of 90,000 tonnes, primarily catering to the automotive sector. These implementations are expected to fuel the market demand during the forecast period.

India Metal Recycling Industry

Market Overview

India: Metal Recycling Market: Key Industry Highlights, 2023 and 2032

Global	2023	2032	CAGR 2023-2032
India Metal Recycling Market: Sales Volu Million Tons)	45.9	102.7	9.4%

Particulars	Market Share 2023 (%)
Aluminium	3.6%
Lead	2.3%
Others	94.1%

Impact of GDP

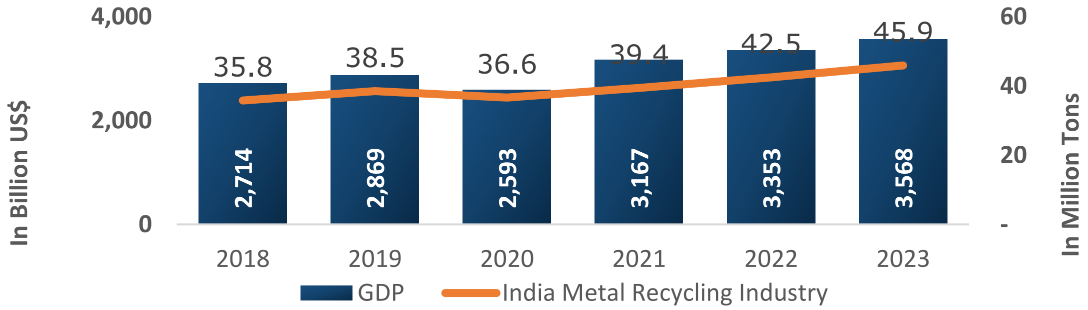
India’s GDP represented at a CAGR of 4.1% during 2018-2023. The Indian economy is seeing a broad-based improvement across several sectors such as automotive, packaging, power, electronics and many more. The growth in these sectors is positively impacting the GDP.

Rising Industrial Demand: As India's GDP grows, there is an increase in demand across various sectors, including automotive, construction, electronics, and packaging. These industries rely heavily on metals such as steel, aluminum, copper, and iron. The growing demand for these metals encourages recycling practices to meet the supply needs more sustainably.

Economic Growth and Urbanization: With the rise in GDP, the urban population in India is also growing. This increases the demand for infrastructure development, transportation, consumer goods, and electronics all of which rely on metal components. As urban centers grow, there is an increase in both metal waste and scrap, which can be recycled.

Employment Generation: The metal recycling and overall recycling industry can also create millions of jobs in the country.

India: GDP (in Billion US$) & Metal Recycling Industry (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Trends and Development

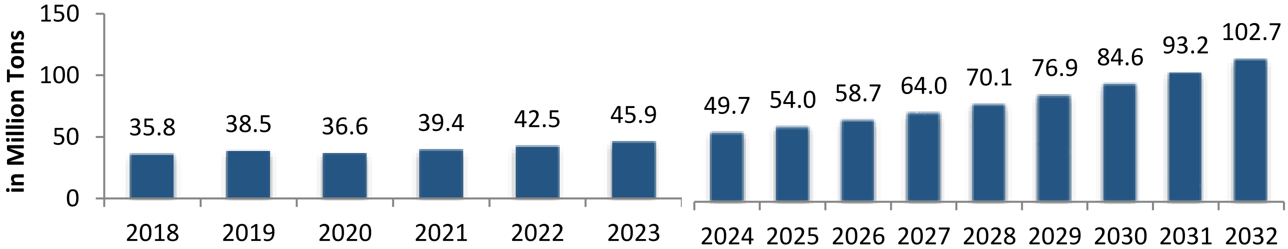
Scrap Consumption in Last Five Years

The scrap consumption in the India metal recycling market reached a volume of 45.9 Million Tons in 2023, growing at a CAGR of 5.1% during 2018-2023.

The rising cost of virgin metals due to fluctuations in global metal prices and supply chain disruptions has made scrap metal a more attractive and cost-efficient alternative, thus increasing demand for scrap metal in manufacturing processes.

Moreover, India’s manufacturing sector, including industries such as automotive, construction, electronics, and packaging, is growing rapidly. The need for metals such as steel, aluminum, and copper in these sectors drives the consumption of scrap metal. The increasing demand for vehicles, machinery, and infrastructure development fuels the need for recycled metals. Additionally, the rise of electric vehicles (EVs) in India has created a demand for specific metals such as lithium and cobalt, spurring growth in the recycling of these materials.

India: Metal Recycling Market: Scrap Consumption Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Share of Lead & Aluminium Recycling Out of Total Metal Recycling Market in 2023

- In 2023, Aluminium recycling accounted for a share of 3.6% of India metal recycling market.
- Similarly, Lead recycling accounted for a share of 2.3% of the India metal recycling market in 2023. Moreover, the other category of metals accounted a share of 94.1% in metal recycling market in India.

Market Forecast

Looking forward, we expect the India metal recycling market to grow at a CAGR of around 9.5% during 2024-2032, reaching a volume of 102.7 Million Tons by 2032.

Starting in the financial year 2028, all new products made from non-ferrous metals (such as aluminum, copper, and zinc) will be required to contain a minimum of 5% recycled content, with the percentage progressively increasing to 10% by FY29. By FY31, the targets will escalate further to 10% recycled content for aluminum, 20% for copper, and 25% for zinc. Such regulation aims to reduce reliance on primary raw materials and lessen the environmental impact caused by mining activities. As a result, there will be a stronger demand for recycled scrap metal, providing a significant boost to India's metal recycling industry.

India Lead and Aluminium Recycling Market

Market Overview

India: Lead and Aluminium Recycling Market: Key Industry Highlights, 2023 and 2032

Market by Region	2023 (in '000 Tons)	2032 (in '000 Tons)	CAGR (2023-2032)
North India	927	2,277	10.5%
West and Central India	803	1,938	10.3%
South India	761	1,892	10.7%
East India	201	507	10.9%

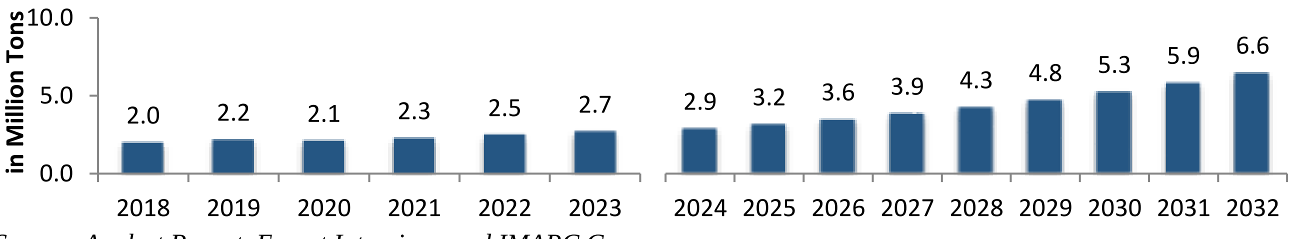
Market Performance

The India lead and aluminium recycling market reached a volume of 2.7 Million Tons in 2023, growing at a CAGR of 6.2% during 2018-2023.

The India lead and aluminum recycling market is driven by the rising demand from the automotive, construction, and renewable energy sectors, alongside increasing adoption of sustainable manufacturing practices that are enforced by the government.

Further, the strategic initiatives implemented by leading industry players are driving the growing demand for lead and aluminum recycling in India. For example, as reported on August 28, 2024

India: Lead and Aluminium Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the India metal recycling market to grow at a CAGR of around 10.7% during 2024-2032, reaching a volume of 6.6 Million Tons by 2032.

Over the years, the growth of electric vehicles and renewable energy storage has significantly increased, which in turn is expected to augment the demand for recycled lead in the batteries in the coming years.

Additionally, favorable government initiatives like the "Battery Waste Management Rules" and the promotion of a circular economy is likely to positively influence the players practices. The Indian government mandated in August 2024, that all new products made from non-ferrous metals must include at least 5% recycled content starting in FY28, with targets rising to 10% in FY29 and ultimately 10% for aluminum, 20% for copper, and 25% for zinc by FY31. These regulations, aimed at reducing industrial waste, are expected to accelerate the growth of the lead and aluminum recycling market, supporting India’s sustainability and industrial objectives in the forecasted period.

Market Breakup by Region

India: Lead and Aluminium Recycling Market: Breakup by Region (in '000 Tons), 2018 & 2023

Market Breakup by Region	2018	2023	CAGR 2018-2023
North India	687	927	6.2%
West and Central India	601	803	5.9%
South India	558	761	6.4%
East India	145	201	6.7%

India: Lead and Aluminium Recycling Forecast: Breakup by Region (in '000 Tons), 2024-2032

Market Breakup by Region	2018	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	CAGR 2018-2023	CAGR 2024-2032
North India	687	927	1,014	1,112	1,224	1,351	1,496	1,659	1,842	2,047	2,277	6.2%	10.6%
West and Central India	601	803	876	958	1,053	1,161	1,283	1,420	1,573	1,746	1,938	5.9%	10.4%
South India	558	761	833	915	1,008	1,115	1,236	1,372	1,526	1,698	1,892	6.4%	10.8%
East India	145	201	220	242	267	296	329	366	408	455	507	6.7%	11.0%

By 2032, we expect North India to represent the largest market for lead and aluminium recycling in India, accounting for a share of 34.4% of the total market. North India is expected to be followed by West and Central India (29.3%), South India (28.6%), and East India (7.7%).

- In 2023, North India represented the largest market for lead and aluminium recycling in India, accounting for a share of 34.5% of the total market. North India was followed by West and Central India (29.8%), South India (28.3%), and East India (7.5%).

Market Breakup by End-User

India: Lead and Aluminium Recycling Market: Breakup by End-User (in '000 Tons), 2018 & 2023

Breakup by End-User	2018	2023	CAGR 2018-2023
Automotive	1,215	1,638	6.2%
Construction	287	392	6.4%
Industrial Goods	180	246	6.5%
Consumer Durables	112	155	6.7%
Others	199	261	5.6%

India: Lead and Aluminium Recycling Forecast: Breakup by End-User (in '000 Tons), 2024-2032

Breakup by End-User	2024	2025	2026	2027	2028	2029	2030	2031	2032	CAGR 2024-2032
Automotive	1,789	1,962	2,158	2,383	2,637	2,923	3,244	3,604	4,008	10.6%
Construction	429	471	519	575	637	708	787	877	977	10.8%
Industrial Goods	270	297	328	363	403	448	499	556	620	11.0%
Consumer Durables	170	187	207	230	256	285	318	355	397	11.2%
Others	284	310	339	373	411	453	500	553	613	10.1%

By 2032, we expect automotive industry to dominate the lead and aluminium recycling market in India, accounting for a share of 60.6% of the total market. Automotive is expected to be followed by construction (14.8%), industrial goods (9.4%), consumer durables (6.0%), and others (9.3%).

Automotive

Market Trend and Outlook

In 2023, automotive sector accounted for a share of 60.9% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 1,637,677 Tons in 2023, exhibiting a CAGR of 6.2% during 2018-2023.

India's automotive industry is a key driver for the lead and aluminum recycling markets, fueled by the rising demand for electric vehicles (EVs), lightweight vehicles, and sustainable manufacturing practices.

Lead-acid batteries remain integral to the automotive sector, powering everything from two-wheelers to commercial vehicles. They are essential for starting, lighting, and ignition (SLI) systems, as well as energy storage in EVs. Recycling spent lead-acid batteries is vital to meeting this demand while adhering to environmental regulations. For instance, the Battery Waste Management Rules 2022 require manufacturers to collect and recycle used batteries, prompting significant investments in lead recycling infrastructure and contributing to growth in the automotive sector.

Looking forward, the market in this segment is expected to reach a volume of 4,007,784 Tons by 2032, representing a CAGR of 10.6% during 2024-2032.

Over the years, the Indian government has implemented policies like Extended Producer Responsibility (EPR) to encourage recycling. Automakers, such as Maruti Suzuki, are adopting circular economy models, including partnerships like the one with Toshin Metal in 2021 to set up recycling facilities for scrap aluminum and end-of-life vehicles.).

Moreover, the thriving auto industry is also opening new prospects for the recycling players, thus they are expanding and investing their capacities. For example, in May 2023, Gravita India Limited expanded its lead battery recycling capacity at its Chittoor facility in Andhra Pradesh by 26,440 MTPA, increasing the total capacity to 64,640 MTPA. This expansion brings the company's total recycling capacity to 278,059 MTPA. Such endeavors are likely to promote market growth in the future.

Construction

Market Trend and Outlook

In 2023, construction accounted for a share of 14.6% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 391,589 Tons in 2023, exhibiting a CAGR of 6.4% during 2018-2023.

India's construction industry is one of the fastest-growing sectors, driven by rapid urbanization, infrastructure development, and government initiatives like Smart Cities Mission and Affordable Housing Schemes. This growth is generating significant demand for lead and aluminum, where recycling plays a crucial role in meeting industry needs cost-effectively and sustainably.

Real estate developers are increasingly using recycled aluminum for window frames and curtain walls in high-rise buildings. Such as, Up to 90% of aluminum used in AluK India construction collaborations is recycled, requiring 95% less energy than primary production, without compromising quality. This makes it highly sustainable, reducing carbon emissions and benefiting a building's lifecycle costs. Similarly, Smart Cities projects are incorporating recycled materials in sustainable infrastructure, such as streetlights and green buildings.

Looking forward, the market in this segment is expected to reach a volume of 976,976 Tons by 2032, representing a CAGR of 10.8% during 2024-2032.

In the recent years, developers have increasingly embraced recycled materials to meet green building standards, lower carbon footprints, and achieve energy efficiency. For instance, ITC's Green Centre in Gurugram extensively utilized recycled aluminum in its facade and structural elements, setting a precedent for sustainable commercial construction.

Additionally, grand-level projects in India are also inclining towards the application of recycled non-ferrous metals like lead and aluminum. Such as, Iconic projects like the World Trade Center in Bengaluru and other IT hubs have incorporated aluminum cladding and frames made from recycled materials to enhance energy efficiency. These trends are expected to shape the market in the coming years.

Industrial Goods

Market Trend and Outlook

In 2023, industrial goods accounted for a share of 9.2% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 246,257 Tons in 2023, exhibiting a CAGR of 6.5% during 2018-2023.

India's industrial goods sector, encompassing manufacturing, machinery, electrical equipment, and more, is burgeoning the demand for recycled lead and aluminum products. These metals play a vital role in industrial applications, and recycling offers a cost-effective and sustainable solution. In line with this, with rising industrial output and stricter environmental regulations, the reliance on recycled materials is becoming increasingly essential.

Looking forward, the market in this segment is expected to reach a volume of 620,449 Tons by 2032, representing a CAGR of 11.0% during 2024-2032.

Over the years, many industrial companies have started supporting the recycling trend by ensuring their machinery and vehicles are recyclable at the end of their life cycles. For example, Tata Steel's Recycling Plant processes scrap aluminum and lead from old machinery for reuse in industrial applications.

Consumer Goods

Market Trend and Outlook

In 2023, consumer goods accounted for a share of 5.8% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 154,752 Tons in 2023, exhibiting a CAGR of 6.7% during 2018-2023.

India's consumer goods industry, encompassing a wide range of products such as electronics, appliances, packaging materials, and household items, is generating substantial demand for recycled lead and aluminum. This demand is driven by the increasing focus on sustainability, cost-effectiveness, and compliance with environmental regulations.

Furthermore, aluminum is widely utilized in consumer electronics for components like laptop casings, mobile phone frames, and heat sinks in cooling systems. Similarly, appliances such as refrigerators, microwaves, and washing machines rely on aluminum parts for their lightweight and durable properties. Companies like Nothing have embraced sustainability by using recycled aluminum for smartphone bodies. These factors are significantly contributing to the growth of the market demand.

Looking forward, the market in this segment is expected to reach a volume of 396,876 Tons by 2032, representing a CAGR of 11.2% during 2024-2032.

Lead-acid batteries remain essential for devices like portable fans, inverters, and toys. Recycled lead is a primary material for battery production. In addition, it is used in manufacturing high-quality glassware, ceramics, and crystal products, with recycled lead playing a critical role in these applications. Further, lead compounds are used in pigments for some cosmetic products, and recycled lead ensures reduced reliance on mined lead.

Moreover, major players like Hindalco, Exide, and Attero Recycling are driving innovations, while government policies and green consumer trends are further boosting the recycling ecosystem. With continued advancements, the role of recycled metals in consumer goods is set to expand significantly.

Others

Market Trend and Outlook

In 2023, other industries accounted for a share of 9.7% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 261,059 Tons in 2023, exhibiting a CAGR of 5.6% during 2018-2023.

Looking forward, the market in this segment is expected to reach a volume of 612,512 Tons by 2032, representing a CAGR of 10.1% during 2024-2032.

India Lead and Aluminium Recycling Market Dynamics

Benefits of Recycled Lead Aluminum

Both metals have a long-standing tradition of recycling, providing significant benefits not only for the environment but also for the economy. Recycling these metals reduces the need for raw material extraction, conserves energy, and minimizes environmental pollution. Below is the key advantages of recycled lead and aluminum, focusing on their environmental impact, economic benefits, and specific roles in modern industries:

1. Lead-Specific Benefits

- Battery Production: Recycling batteries reduces pollution. A large portion of recycled lead is used in the production of lead-acid batteries, which are critical for industries like automotive. By recycling lead, the need for new lead is reduced, making battery production more sustainable.

2. Aluminum-Specific Benefits

- Lightweight and Versatile: Recycled aluminum is widely used in applications ranging from packaging (like cans) to construction and automotive components. Its combination of lightness and strength makes it especially valuable for reducing energy consumption, particularly in the transportation sector.
- Energy-Efficient: Recycling aluminum consumes 95% less energy and generates only 5% of the greenhouse gas emissions compared to producing new aluminum. Notably, 75% of all aluminum ever produced is still in use. Recycling aluminum cans alone saves enough energy to power over 4.4 million European homes annually. If all cans were recycled, this could rise to 6.4 million homes. In the automotive industry, using recycled aluminum reduces vehicle weight, improving fuel efficiency and lowering carbon emissions, which contributes to more sustainable transportation.

3. Environmental Benefits of Recycled Lead and Aluminum: Both metals are integral to modern industries, with applications ranging from batteries and electronics to packaging and transportation. The environmental advantages of recycling lead and aluminum are substantial, offering a way to reduce the negative impact of their production and use.

- Reduced Environmental Impact from mining leading to deforestation, habitat loss and soil erosion
- Recycling lead uses up to 85% less energy and recycling aluminum can save upto 96% energy.
- Lower Carbon Emissions
- Waste Reduction as materials are recyclable indefinitely without losing any quality
- Sustainability, promoting circular economy

4. Economic Benefits of Recycled Lead and Aluminum: In addition to the environmental advantages, recycling lead and aluminum offers significant economic benefits that contribute to a more sustainable and efficient global economy. As industries continue to rely on these metals for various applications, the demand for recycled materials has grown, providing opportunities for cost savings, job creation, and resource conservation.

- Cost Savings on account of lower energy consumption
- Job Creation
- Conservation of Resources

Key Industry Trends

Over the years, the Indian lead and aluminum recycling markets has revolved rapidly, driven by both economic demand and environmental concerns. The demand for recycled aluminum is rising due to its lower environmental impact compared to primary aluminum. In addition, recycling aluminum produces significantly less CO2 than its primary production, making it a more sustainable option. This trend is particularly strong in sectors like automotive, infrastructure, and packaging, which require large volumes of aluminum. Additionally, several companies are adopting new strategies and expanding their presence to further drive market demand.

Despite the presence of various driving drivers, the India lead and aluminum recycling market market encounters significant challenges. One of the primary issues is the limited domestic collection of end-of-life scrap, which forces a heavy reliance on imports. This dependency is further exacerbated by global export restrictions and high import duties. Additionally, the dominance of the informal recycling sector often leads to substandard environmental and safety practices, including hazardous emissions during lead battery recycling. Infrastructure limitations and the slow adoption of advanced recycling technologies hinder efficiency, while competition from primary metal producers adds further pressure on recyclers.

Market Drivers and Challenges

India’s lead and aluminum recycling market has seen significant growth in recent years, driven by rising industrial demand, environmental concerns, and economic opportunities. Recycling has become increasingly important as India works towards improving its sustainability practices and reducing its dependency on virgin raw materials. However, like any growing market, the recycling sector faces challenges that must be addressed to maximize its potential.

Market Drivers

- **Government Regulations and Policy Support:** The Indian government has implemented various measures to encourage recycling as part of its broader environmental initiatives. This growth will be further driven by the introduction of aluminum alloy derivatives on the Multi Commodity Exchange (MCX) and the upcoming Extended Producer Responsibility (EPR) regulations in the non-ferrous metals sector. A draft rule has been proposed that will require aluminum, copper, and zinc to adhere to EPR mandates starting in April 2025, which will include a minimum of 5% non-recycled material content in finished products. Starting in from 2028, all new products made from non-ferrous metals must contain at least 5% recycled content. The specific requirements are 10% for aluminum, 20% for copper, and 25% for zinc. Beginning in 2025, non-ferrous metal producers will need to meet increasing annual recycling targets, with 75% of production from recycled materials by 2032. Compliance will be closely monitored via a centralized portal, and severe penalties, including environmental compensation, will apply for non-compliance.

Type of Metal	Minimum use of recycled material out of total weight of new product (in percentage)			
	2027-2028	2028-2029	2029-2030	2030-2031
Aluminum	5	10	10	10
Copper	5	10	15	20
Zinc	5	10	15	25

- Furthermore, India's focus on a circular economy is fostering the development of industries that process and reuse materials like lead and aluminum.
- **Rising Demand for Recycled Metals:** India is one of the largest consumers of lead and aluminum, especially in sectors such as automotive manufacturing, electronics, construction, and packaging. Several leading companies are taking initiatives that are driving increased market demand.

Moreover, the rising demand for these metals, particularly in the automotive sector for lightweight and energy-efficient materials, is fueling the need for high-quality recycled lead and aluminum.

- **Growing Industrial Demand:** India’s expanding manufacturing sectors, including automotive, electronics, and construction, have led to an increased demand for metals like aluminum and lead. The automotive industry, in particular, is seeing a rise in the use of recycled aluminum for lightweight vehicle components to improve fuel efficiency and reduce emissions.
- **Export Opportunities:** With global markets seeking sustainable sources of raw materials, India's lead and aluminum recycling industry is positioning itself as a major exporter. Countries like the U.S. and European Union have stringent regulations that drive demand for high-quality recycled metals. India, with its lower operational costs, has begun exporting substantial amounts of recycled aluminum to meet these global demands.

Market Challenges

- **Scarcity of Scrap Material:** India faces a shortage of locally sourced scrap lead and aluminum, relying on imports to meet growing demand, making the recycling industry vulnerable to global supply chain disruptions.

- **Lack of Proper Infrastructure & Inconsistent Quality Control:** Insufficient facilities and inconsistent quality control lead to inefficiencies in recycling processes and the production of substandard materials.

- **Health and Safety Concerns:** Particularly in informal settings, can be exposed to lead dust and fumes, leading to health issues.

- **Market Volatility:** The global market for lead and aluminum is subject to price fluctuations based on supply-demand dynamics, geopolitical factors, and trade policies.

Global Plastic Recycling Industry

Market Overview

Global: Plastic Recycling Market: Key Industry Highlights, 2023 and 2032

Global	2023	2032	CAGR 2023-2032
Global Plastic Recycling Market: Sales Volume (in Million Tons)	84.4	157.5	7.2%

Market by Region	2023 (in Million Tons)	Market Share 2023 (%)
Asia Pacific	41.28	48.9%
Europe	26.33	31.2%
North America	11.56	13.7%
Middle East and Africa	3.54	4.2%
Latin America	1.67	2.0%

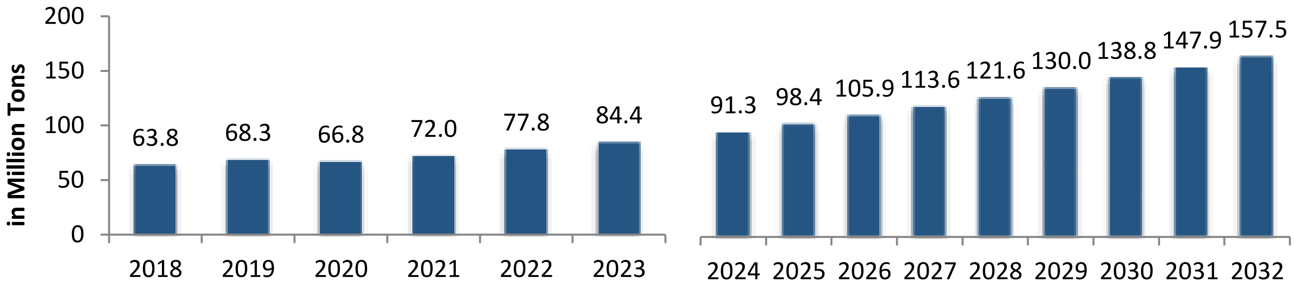
Market Performance

The global plastic recycling market reached a volume of 84.4 Million Tons in 2023, growing at a CAGR of 5.8% during 2018-2023.

The growing awareness of the environmental damage caused by plastic waste, including ocean pollution and harm to wildlife, is a significant driver behind the market's expansion. Additionally, the increasing demand from consumers and businesses for eco-friendly and sustainable products is fueling growth in the plastic recycling sector.

Besides, industry players are making substantial investments in research and development to devise innovative strategies that support the market’s long-term growth. These efforts include product launches, mergers and acquisitions, collaborations, partnerships, and advancements in existing technologies. For instance, in 2022, SCG Chemicals acquired Sirplaste, a leading plastic recycling company in Portugal. This acquisition is expected to enable SCG Chemicals to enter the European and Portuguese markets for high-quality post-consumer recycled resin (PCR).

Global: Plastic Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Breakup by Region

- In 2023, Asia Pacific represented the largest plastic recycling market, accounting for 48.9% of the total plastic recycling market.
- Asia Pacific was followed by Europe (31.2*%)*, North America (13.7%), Middle East & Africa (4.2%), and Latin America (2.0%).

Asia Pacific

- In 2023, China represented the largest plastic recycling market, accounting for 26.6% of the total Asia Pacific plastic recycling market.
- China was followed by South Korea (18.1*%)*, Japan (10.5%), India (7.1%), Indonesia (6.0%), Australia (5.2%), and others (26.5%).

Europe

- In 2023, Germany represented the largest plastic recycling market, accounting for 23.0% of the total Europe plastic recycling market.
- Germany was followed by United Kingdom (14.1%), Italy (12.2%), Spain (10.0%), France (8.8%), Russia (3.2%), and others (28.7%)

North America

- In 2023, United States represented the largest plastic recycling market, accounting for 89.0% of the North America plastic recycling market.
- On the other hand, Canada accounted for the remaining share of 11.0% of the total North America plastic recycling market.

Middle East and Africa

- In 2023, GCC represented the largest plastic recycling market, accounting for a share of 53.9% of the total Middle East & Africa plastic recycling market.
- GCC was followed by South Africa (15.9%), and others (30.2%).

Latin America

- In 2023, Mexico represented the largest plastic recycling market, accounting for 42.3% of the Latin America plastic recycling market.
- Mexico was followed by Brazil (25.5%) and others (32.2%).

Market Forecast

Looking forward, we expect the global plastic recycling market to grow at a CAGR of around 7.1% during 2024-2032, reaching a volume of 157.5 Million Tons by 2032.

Over time, government initiatives and policies aimed at promoting recycling and reducing plastic waste are anticipated to create significant opportunities for the plastic recycling industry.

Additionally, the establishment of new facilities by global players as well as the new collaborations regarding plastic recycling is likely to open new lucrative opportunities for the market growth in the coming years. For example, in May 2023, an automaker “Sumitomo Chemical” and plastic recycling player “REVER CORPORATION” in Japan have formed a business alliance to develop the recycled plastics from the end-of-life vehicles. This collaboration is done in prospects with the Japan’s carbon neutrality progress by 2050.

India Plastic Recycling Market

Market Overview

India: Plastic Recycling Market: Key Industry Highlights, 2023 and 2032

Global	2023	2032	CAGR 2023-2032
India Plastic Recycling Market: Sales Volume (in ‘000 Tons)	2,946	5,892	8.0%

Market by End-User	2023 (in ‘000 Tons)	2032 (in ‘000 Tons)	CAGR (2023-2032)
Packaging	1,123	2,244	8.0%
Building & Construction	583	1,194	8.3%
Electricals and Electronics	366	712	7.7%
Textiles	345	693	8.1%
Automotive	207	396	7.5%
Others	322	653	8.2%

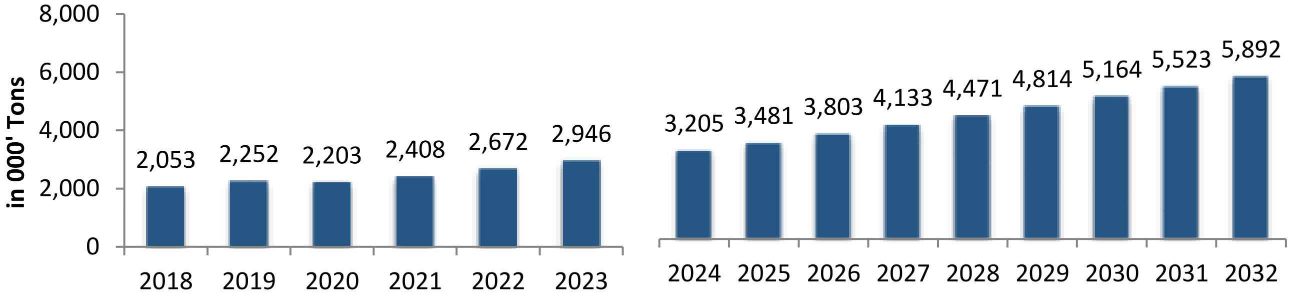
Market Performance

The India plastic recycling market reached a volume of 29,46,263 Tons in 2023, growing at a CAGR of 7.5% during 2018-2023.

The Indian plastic recycling market is experiencing growth owing to several key factors, including the increasing awareness of environmental sustainability and the need to address plastic pollution. Further, government initiatives such as the Plastic Waste Management Rules and regulations promoting waste management, recycling, and the reduction of single-use plastics have created a favorable environment for industry.

Additionally, India has partnered with international organizations and sustainable campaigns to harness expertise and resources for sustainable plastic recycling. For example, in 2021, India became the first Asian country to launch a Plastics Pact, aiming to ensure 100% of plastic packaging is reusable or recyclable and to achieve a 50% recycling rate for plastic packaging by 2030. These efforts are driving positive momentum in the market.

India: Plastic Recycling Market: Volume (in ‘000 Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the India metal recycling market to grow at a CAGR of around 7.9% during 2024-2032, reaching a volume of 58,91,739 Tons by 2032.

Over the years, the technological advancements have significantly influenced the evolution of the plastic recycling industry in India. The increasing adoption of eco-friendly practices by businesses and consumers, combined with innovations in recycling technologies, is expected to further drive market growth.

Moreover, the establishment of new recycling facilities by both domestic and international players, backed by investments in cutting-edge solutions, is enhancing the industry's capacity to manage plastic waste effectively. For instance, in November 2024, revalyu Resources, a global leader in chemical PET recycling, inaugurated its second state-of-the-art PET recycling plant at its Nashik site in India. Such developments are expected to foster a positive outlook for the market in the years ahead.

Market Breakup by Region

India: Plastic Recycling Market: Breakup by Region (in '000 Tons), 2018 & 2023

Market Breakup by Region	2018	2023	CAGR 2018-2023
South India	848	1,218	7.5%
West and Central India	701	1,012	7.6%
North India	342	496	7.7%
East India	161	220	6.4%

India: Plastic Recycling Forecast: Breakup by Region (in '000 Tons), 2024-2032

Market Breakup by Region	2024	2025	2026	2027	2028	2029	2030	2031	2032	CAGR 2024-2032
South India	1,323	1,435	1,566	1,700	1,836	1,974	2,114	2,258	2,404	7.8%
West and Central India	1,102	1,200	1,313	1,430	1,549	1,671	1,796	1,924	2,056	8.1%
North India	542	591	648	706	767	829	892	958	1,025	8.3%
East India	237	255	276	298	319	341	362	384	406	7.0%

By 2032, we expect South India to represent the largest market for plastic recycling in India, accounting for a share of 40.8% of the total market. South India is expected to be followed by West and Central India (34.9%), North India (17.4%), and East India (6.9%).

- In 2023, South India represented the largest market for plastic recycling in India, accounting for a share of 41.4% of the total market.
- South India was followed by West and Central India (34.3%), North India (16.9%), and East India (7.5%).

South India

- In 2023, Tamil Nadu represented the largest plastic recycling market in South India, accounting for 36.2% of the total South India plastic recycling market.
- Tamil Nadu was followed by Telangana (23.0%), Karnataka (14.9%), Kerala (12.4%), Andhra Pradesh (4.7%), and others (8.8%).

West and Central India

- In 2023, Maharashtra represented the largest plastic recycling market in West and Central India, accounting for 38.2% of the total West and Central India plastic recycling market.
- Maharashtra was followed by Gujarat (32.3%), Madhya Pradesh (16.4%), and others (13.2%).

North India

- In 2023, Uttar Pradesh represented the largest plastic recycling market in North India, accounting for 41.8% of the total North India plastic recycling market.
- Uttar Pradesh was followed by Delhi (28.4%), Punjab (11.5%), and others (18.3%).

East India

- In 2023, West Bengal represented the largest plastic recycling market in East India, accounting for 43.4% of the total East India plastic recycling market.
- West Bengal was followed by Jharkhand (31.1%), Bihar (24.2%), and others (1.3%).

Market Breakup by End-User

India: Plastic Recycling Market: Breakup by End-User (in '000 Tons), 2018 & 2023

Breakup by End-User	2018	2023	CAGR 2018-2023
Packaging	782	1,123	7.5%
Building & Construction	402	583	7.8%
Electricals and Electronics	259	366	7.1%
Textiles	240	345	7.5%
Automotive	148	207	6.9%
Others	222	322	7.7%

India: Plastic Recycling Forecast: Breakup by End-User (in '000 Tons), 2024-2032

Breakup by End-User	2024	2025	2026	2027	2028	2029	2030	2031	2032	CAGR 2024-2032
Packaging	1,221	1,326	1,449	1,575	1,703	1,834	1,967	2,104	2,244	7.9%
Building & Construction	636	693	759	827	897	968	1,041	1,116	1,194	8.2%
Electricals and Electronics	397	430	468	507	547	587	628	669	712	7.6%

Textiles	375	408	446	485	525	566	607	650	693	8.0%
Automotive	224	242	263	285	307	328	350	373	396	7.4%
Others	351	382	418	455	493	531	571	612	653	8.1%

- By 2032, we expect packaging industry to dominate the plastic recycling market in India, accounting for a share of 38.1% of the total market. Packaging is expected to be followed by building and construction (20.3%), electricals and electronics (12.1%), textiles (11.8%) automotive (6.7%), and others (11.1%).

Packaging

Market Trend

In 2023, packaging accounted for a share of 38.1% of the plastic recycling market in India. The market in this segment reached a volume of 1,122,821 Tons in 2023, exhibiting a CAGR of 7.5% during 2018-2023.

The application of recycled plastics in food and beverage packaging is a major growth area, particularly for ready-to-eat and convenience products due to the rising working population. In addition, rising environmental awareness has led brands to adopt eco-friendly packaging solutions. For example, in 2023, Coca-Cola launched recycled PET (polyethylene terephthalate) bottles in 250 ml and 750 ml sizes across various Indian markets. These bottles are produced by Coca-Cola's bottling partners, Moon Beverages and SLMG Beverages Ltd.

Looking forward, the market in this segment is expected to reach a volume of 2,243,574 Tons by 2032, representing a CAGR of 7.9% during 2024-2032.

Innovations like closed-loop recycling systems are becoming more popular, where manufacturers recycle their own packaging waste to create new materials. Such developments are expected to positively influence the recycled plastic adoption in the Indian market.

Additionally, advancements in recycling technologies, such as chemical recycling and advanced mechanical processes, have significantly improved the quality of recycled materials, making them suitable for a wide range of packaging applications, including food-safe containers and flexible pouches. In short, the market is anticipated to grow further as recycled materials are increasingly incorporated into mainstream packaging solutions.

Building & Construction

Market Trend

In 2023, building & construction accounted for a share of 19.8% of the plastic recycling market in India. The market in this segment reached a volume of 583,360 Tons in 2023, exhibiting a CAGR of 7.8% during 2018-2023.

The demand for recycled plastics in India's building and construction sector is growing, driven by increasing sustainability efforts and a shift toward circular economy practices. As environmental concerns rise and regulations like the Plastic Waste Management Rules and the Swachh Bharat Mission become more stringent, the construction industry is turning to recycled plastics to lower its carbon footprint.

Looking forward, the market in this segment is expected to reach a volume of 1,193,666 Tons by 2032, representing a CAGR of 8.2% during 2024-2032.

The recent developments including industry events like the Plastics Recycling Show India (PRSI) 2024, which highlights the increasing collaboration across industries to boost recycling efforts is expected to encourage the construction sector players on adopting recycled PET (Polyethylene Terephthalate) and HDPE due to the ease of sourcing recycled materials and their affordability.

Furthermore, the adoption shift is not only driven by environmental regulations but also by economic factors, as manufacturers seek to reduce costs while meeting sustainability goals. Moreover, the demand for recycled plastics in construction is projected to continue growing as the Indian market expands its recycling capacity and improves technologies for handling diverse types of plastic waste.

Electricals and Electronics

Market Trend

In 2023, electricals and electronics accounted for a share of 12.4% of the plastic recycling market in India. The market in this segment reached a volume of 365,926 Tons in 2023, exhibiting a CAGR of 7.1% during 2018-2023.

The demand for plastic recycling in India's electrical and electronics sector is growing significantly as manufacturers and industry stakeholders increasingly adopt sustainable practices.

Looking forward, the market in this segment is expected to reach a volume of 711,722 Tons by 2032, representing a CAGR of 7.6% during 2024-2032.

On the other hand, various government initiatives, such as the Plastic Waste Management Rules (2016), require Extended Producer Responsibility (EPR), urging electronics companies to manage their products' entire life cycle. As a result, the demand for recycled plastics in this sector is anticipated to grow significantly in the coming years.

Textiles

Market Trend

In 2023, textiles accounted for a share of 11.7% of the plastic recycling market in India. The market in this segment reached a volume of 345,007 Tons in 2023, exhibiting a CAGR of 7.5% during 2018-2023.

The demand for plastic recycling in India's textile sector is on the rise, driven by an increasing awareness of the environmental impact of textile waste. As the second-largest textile producer globally, India generates a significant amount of waste from synthetic fibers like polyester, which are derived from plastic. These fibers present recycling challenges due to their chemical treatments, blending with natural fibers, and the difficulty in separating them for reuse.

Furthermore, many new investors are emerging in the Indian market who are focused on repurposing plastic bottles to plastic yarns. Such as, in August 2022, RSWM Ltd in India recycled 122 million PET bottles daily, turning them into textiles year-round, processing nearly 1.83 billion bottles annually.

Looking forward, the market in this segment is expected to reach a volume of 693,458 Tons by 2032, representing a CAGR of 8.0% during 2024-2032.

One of the significant developments in the recycling plastic demand in textile sector is expected to be the rising demand for eco-conscious fashion among India's growing middle class, especially younger consumers. This demographic is increasingly aware of environmental issues and is actively seeking sustainable, affordable fashion options.

As a result, brands are turning to recycled plastics to create eco-friendly garments, aligning with consumer preferences for sustainability while tapping into a large, rapidly expanding market.

Automotive

Market Trend

In 2023, automotive accounted for a share of 7.0% of the plastic recycling market in India. The market in this segment reached a volume of 207,122 Tons in 2023, exhibiting a CAGR of 6.9% during 2018-2023.

The demand for recycled plastic in India's automotive sector is increasing as manufacturers strive to find sustainable solutions to reduce plastic waste and comply with environmental regulations.

Looking forward, the market in this segment is expected to reach a volume of 395,925 Tons by 2032, representing a CAGR of 7.4% during 2024-2032.

On the other hand, the players operating in both automotive and plastic recycling sectors are undergoing collaboration in order to keep in align with the Indian government's "extended producer responsibility" movement. Such advancement is setting a new benchmark for sustainability in plastic recycling.

Others

Market Trend

In 2023, other industries accounted for a share of 10.9% of the plastic recycling market in India. The market in this segment reached a volume of 322,027 Tons in 2023, exhibiting a CAGR of 7.7% during 2018-2023.

Looking forward, the market in this segment is expected to reach a volume of 653,394 Tons by 2032, representing a CAGR of 8.1% during 2024-2032.

India Plastic Recycling Market Dynamics

1. **Conserves Resources**: Recycling plastic helps conserve natural resources by reducing the need for raw materials like petroleum, minimizing resource extraction.
2. **Reduces Waste and Pollution**: Recycling reduces plastic waste in landfills and prevents pollution in oceans, rivers, and ecosystems, protecting wildlife and natural habitats.
3. **Decreases Energy Consumption**: The recycling process uses up to 80% less energy than producing plastic from virgin materials, reducing overall energy use.
4. **Lowers Carbon Emissions**: Recycling plastic contributes to a reduction in carbon emissions by using less energy, helping combat climate change.
5. **Prevents Ocean Pollution**: Recycling reduces the amount of plastic entering oceans, which helps protect marine life and preserves aquatic ecosystems.
6. **Cost Savings in Manufacturing**: Using recycled plastic cuts manufacturing costs due to lower energy requirements compared to producing virgin plastic.
7. **Creates Jobs**: The plastic recycling industry creates employment in waste collection, sorting, processing, and other related sectors.
8. **Stimulates Circular Economy**: Recycling supports a circular economy, where materials are reused and recycled to produce new goods, promoting sustainability.
9. **Boosts Market for Recycled Products**: Growing demand for sustainable products increases the market for recycled plastic in industries like packaging, clothing, and construction.
10. Promotes Innovation: As industries seek eco-friendly solutions, recycling plastic drives innovation and the development of new products and markets.Key Industry Trends

Additionally, India's recycling initiatives are being bolstered by advancements in recycling technologies, such as mechanical and chemical processes, alongside supportive policy measures like **extended producer responsibility (EPR)** programs that promote the use of recycled materials. Other growth inducing factors such as technological advancements in recycling, heightened consumer awareness, and growing investments in recycling infrastructure both domestic and international are expected to further propel market growth in the coming years.
Despite observing tremendous growth, India plastic recycling sector faces several significant challenges that hinder its efficiency and overall effectiveness. One of the major issues is the fragmented recycling infrastructure, where informal sectors play a large role. In addition, the lack of standardized processes and efficient collection systems, which reduces the overall quality and quantity of recycled plastic. Additionally, plastic contamination remains a persistent challenge, as food residues and mixed materials make it difficult to process plastics properly.

Market Drivers and Challenges

The Indian plastic recycling market is undergoing a significant transformation, driven by the urgent need to address plastic pollution and create a sustainable circular economy. With India generating around 3.5 million tonnes of plastic waste annually, of which only 60% is recycled, there is an immense opportunity to improve recycling rates. Recent government policies, corporate initiatives, and advancements in technology are shaping the market, but systemic challenges like infrastructure gaps and informal sector dominance remain pressing concerns.

Market Drivers

- **Government Policies and Initiatives:** One of the primary drivers of the plastic recycling market in India is the government's proactive approach to addressing plastic waste. Policies such as:
  - The Plastic Waste Management Rules, 2016, mandate better segregation, collection, and recycling of plastic.

- In 2022, the ban on single-use plastics further accelerated the need for alternative materials and robust recycling mechanisms.
- The introduction of Extended Producer Responsibility (EPR) has made it mandatory for producers, importers, and brand owners to take responsibility for managing post-consumer plastic waste, encouraging collaborations with formal recyclers.

Additionally, numerous companies from different sectors in India, such as Coca-Cola, PepsiCo, Nestle, and Unilever, have adopted Extended Producer Responsibility (EPR) policies for managing plastic waste. These organizations collaborate with authorized recyclers to ensure the collection and proper disposal of their plastic waste.

- **Corporate Sustainability Goals:** Corporate sustainability commitments are also playing significant role in driving the demand for recycled plastics. Large multinationals and Indian conglomerates are increasingly integrating recycled materials into their supply chains to meet the country's sustainability goals. Such as, Reliance Industries has invested heavily in its rPET facility in Gujarat, which converts used PET bottles into high-quality recycled resin for applications like food and beverage packaging. Similarly, Hindustan Unilever has committed to using 100% recyclable or reusable packaging by 2025, creating a steady demand for recycled plastics.
- **Technological Advancements:** Technological innovation is another critical enabler of market growth. Advanced recycling methods such as chemical recycling and AI-powered sorting systems are improving the efficiency and quality of recycled plastics. Startups like Banyan Nation are leveraging data analytics and traceability solutions to deliver high-grade recycled materials, which have been adopted by companies like HP and Unilever. These innovations are particularly significant for tackling hard-to-recycle plastics, which were previously sent to landfills or incinerated.
- **Public Awareness and NGO Participation:** Public awareness campaigns and grassroots movements are also driving change and adoption of recycled plastic in India. Many government initiatives like the Swachh Bharat Abhiyan have educated citizens on waste segregation and the importance of recycling. Similarly, NGOs such as Plastics for Change and Hasiru Dala are constantly working to formalize the informal sector by providing resources and fair wages to waste pickers, thereby enhancing collection efficiency and improving livelihoods. These efforts have helped cities like Pune and Bengaluru establish more robust recycling ecosystems.

Market Challenges

- **Infrastructure Deficiencies**: Lack of organized waste management infrastructure in India, with poor waste collection and segregation in urban and rural areas, hinders effective plastic recycling.
- **Quality Concerns:** Contamination in waste streams results in low-quality recycled plastics, and the absence of advanced technology and quality controls limits the use of recycled plastics in high-value applications like food packaging.
- **High Recycling Costs:** The capital-intensive nature of advanced recycling technologies, such as chemical recycling, creates financial barriers for smaller recyclers, limiting the industry's growth and adoption of premium recycled plastics.
- **Informal Sector Dominance:** Informal waste pickers handle a significant portion of plastic waste but lack modern technology and proper working conditions, resulting in inefficiencies and difficulties integrating into formal recycling systems.

SWOT Analysis

Strengths:
- The construction industry is driving rising demand for metals, especially in emerging economies due to urbanization and increasing disposable incomes.
- Growing environmental awareness is accelerating metal recycling, as it helps reduce the impact of mining and greenhouse gas emissions.
- Industrial growth increases the availability of scrap metal, making recycling more cost-effective compared to using virgin materials.
- Metal recycling prevents waste in landfills, reduces energy consumption, supports economic benefits, and conserves natural resources.
- Metal is highly recyclable, and the recycling process helps preserve ecosystems and reduce mining costs.

Weaknesses:

- High competition exists in the recycling industry due to the increasing demand for materials and sustainability practices.
- In some countries, disorganized metal waste collection, especially in developing regions, leads to inefficiencies and environmental damage.
- Market volatility in metal prices limits the growth and stability of the recycling industry.
- Limited scrap collection zones reduce the supply of recyclable materials and increase reliance on virgin resources.

Opportunities:
- Metal recovery from slag residue offers an additional source of recyclable metals, reducing waste and the need for mining.
- Rapid industrialization in emerging countries like China, India, and Japan is driving demand for recycled metals and promoting sustainable practices.
- Many companies are launching initiatives to meet growing demand, such as new recycling facilities and strategic partnerships.
- Technological advancements are improving the efficiency of metal recycling, including better sorting and processing of materials.
- Growing investments in metal recycling infrastructure are supporting market growth and enhancing recycling capabilities.

Threats:
- Increasing complexity of products, such as mixed materials and composites, poses challenges to efficient metal recycling.
- Lack of sufficient recycling infrastructure limits effective management of scrap metal and hinders market growth.
- Economic uncertainty can impact the demand for recycled metals, especially in industries sensitive to global economic fluctuations.
- Environmental concerns and regulations may shift focus from traditional mining to more sustainable metal recycling practices.

Government Initiative

Overview

India is projected to surpass China as the world's most populous country by 2027, and by 2050, its urban population is expected to nearly double, reaching 814 million. Currently, India generates 62 million tons of waste annually (both recyclable and non-recyclable), with an average annual growth rate of 4%. The country produces around 0.025 million tons of plastic waste per day, which is projected to rise to 34 million tons annually by 2031. According to the Central Pollution Control Board (CPCB) Annual Report 2020-21 on the implementation of the Plastic Waste Management (PWM) Rules 2016, the per capita plastic waste generation in India is reported to be 3070.43 grams per year. This statistic highlights the growing volume of plastic waste generated by individuals in the country annually, emphasizing the need for more effective waste management and recycling initiatives to address the increasing plastic waste burden.

Government Incentives (To Manufacturers)

The government offered incentives to MSMEs is boosting the recycling market in the country. The various incentives offered are:
- **Corporate Tax Rate**: The Ministry of Finance introduced new Corporate Tax Rate incentives setting up of scrapping centres. New domestic company which incorporated on or after 1st October 2019 and commences their production on or before 31st March, 2024 has an option to pay income-tax at the rate of 15%. The effective tax rate for these companies shall be 17.16% inclusive of surcharge & cess. Also, such companies shall not be required to pay Minimum Alternate Tax (MAT).
- For instance, Karnataka Government has introduced incentives for micro, small and medium enterprise for recycling electronic and plastic waste. The recycling rate for different categories are mentioned below.

Incentives for waste recycling in Karnataka		
Scheme	**For General Category**	**For Special Category (SC/ST, Women, Minorities, Physically Challenged & Ex-Servicemen Entrepreneurs)**
Recycling of electronic waste and plastic waste	For All Zones 5% of VFA (max. INR 10 Lakh)	For All Zones 5% of VFA (max. INR 12 Lakh)

*However, according to the Union Steel and Petroleum minister, there is no fixed incentive on sale of scrap. The incentive will be governed by guidelines and market conditions prevailing at the time of sale of scrap.

The government introduced the Vehicle Scrappage Policy on August 13, 2021. Under the vehicle scrap policy of 2021, all heavy commercial vehicles will be tested for fitness at authorized Automatic Testing Stations starting from 1st April 2023. While for other commercial and private vehicles, the fitness testing will begin on 1st June 2024. Under this policy, vehicles that are more than 15 years old, will be scrapped if they do not pass the vehicle fitness test. A vehicle failing the fitness test shall be considered an End-of-Life of Vehicle (ELV).
The government is offering incentives for scrapping old vehicles and purchasing new ones, including:

- 5% discount by the manufacturers on purchasing new vehicles.
- Zero registration fee for new vehicle purchase.
- Scrap value equivalent to 4-6% of ex-showroom price of new vehicles.
- 25% rebate on road tax offered by the Government on scrappage of old vehicles.
- Green cess of 10 to 15% can be levied on road tax for old cars that have passed the fitness test. This tax may vary as per the location.
- The policy coupled with the incentives will lead to increase in the generation of metal scrap in the country, which in turn is expected to fuel the metal recycling market in the country.

Dependence on China & Steps taken by Govt. to Reduce Dependence on China

Steps Taken by Indian Govt. to reduce dependence on China:

- India has been actively pursuing a multi-pronged strategy to reduce its dependence on China, focusing on initiatives like the Production Linked Incentive (PLI) scheme to boost domestic manufacturing, as well as leveraging its foreign missions to identify alternatives to Chinese suppliers. The government is also utilizing free trade agreements (FTAs) with other trading partners to strengthen its position.
- Introducing Extended Producer Responsibility (EPR), which requires producers to manage their products throughout their lifecycle, including post-consumer disposal. This encourages the collection and recycling of scrap, fostering a circular economy and reducing waste.
- Additionally, in 2020, the Ministry of Mines launched the National Non-Ferrous Metal Scrap Recycling Framework, which focuses on key metals like aluminum, copper, zinc, and lead. The formulation of Bureau of Indian Standards (BIS) standards for scrap usage, recycling, and imports is a crucial step in developing a domestic recycling ecosystem, which will help reduce dependence on imports by utilizing indigenous scrap.
- To further strengthen domestic production, the Finance Ministry imposed an anti-dumping duty on "aluminum foil" (of 80 microns thickness or below) imports from China, Malaysia, Thailand, and Indonesia. This duty, valid until September 15, 2026, ranges from $93.53 to $976.99 per tonne, depending on the producer and exporting country, making it more difficult for foreign suppliers to export these products to India.

Make in India

As the government works to increase the manufacturing sector's contribution to GDP from 17% to 25% by 2025, the demand for metals such as aluminum, lead, and more is expected to rise significantly. Key sectors like automotive, construction, defense, and electronics, all of which rely heavily on these metals, are set to expand rapidly under Make in India, thereby intensifying the need for sustainable and cost-effective sources of raw materials.
The push for domestic manufacturing under Make in India directly impacts the metal recycling sector by reducing dependency on imported metals. By encouraging the reuse of materials through recycling, India can decrease its reliance on foreign imports, lowering costs and improving supply chain security. This is especially relevant in the

context of non-ferrous metals, like aluminum and copper, which are vital to many industries but are often imported in large quantities.

To meet the growing demand for metals, the government has introduced policies that foster a circular economy, where the focus shifts toward maximizing the reuse of materials. The Extended Producer Responsibility (EPR) framework, introduced by the Ministry of Environment, Forest, and Climate Change (MoEFCC), mandates manufacturers to take responsibility for the entire lifecycle of their products, including post-consumer disposal and recycling. This has encouraged more efficient recycling practices and the development of a robust domestic recycling infrastructure. Furthermore, the Production Linked Incentive (PLI) schemes introduced by the government are providing incentives for companies in the metal recycling industry, encouraging investment in advanced recycling technologies. These policies are helping to establish a competitive and sustainable market for recycled metals, boosting local production and reducing environmental impacts associated with mining and metal extraction.

As a result, Make in India is fueling the growth of the metal recycling market by creating a strong demand for recycled materials, improving efficiency in the supply chain, and promoting sustainable manufacturing practices. This shift toward recycling not only aligns with India’s economic growth targets but also contributes to a more sustainable and self-reliant industrial ecosystem.

Easing Regulatory Environment

- In order to provide relief to MSMEs and to foster a more favorable policy environment for competitive domestic steel production and increase exports, the Indian government has implemented several initiatives. These include the exemption of Basic Customs Duty (BCD) on CRGO raw materials and steel scrap until 31st March 2024, as well as the introduction of a steel scrap recycling policy aimed at enhancing the availability of domestically sourced scrap. These regulatory measures are designed to ease operational challenges and support the growth of the steel industry in India.

- Also, the favorable government policies and initiatives are expected to significantly complement the increased use of metals and plastics across various end-use industries, thereby strengthening the metal and plastic recycling sector in the coming years.

Government Initiative on Future of Recycling Market

- The government’s mandate that all new products made from non-ferrous metals must contain a minimum of 5% recycled content starting from FY28, and progressively increasing in subsequent years is a powerful regulatory move that not only incentivizes recycling but also promotes the use of sustainable materials in production. This requirement will create a market-driven demand for recycled materials, particularly in industries like automotive, construction, and electronics, which rely heavily on non-ferrous metals such as aluminium, copper, and zinc. By gradually increasing the target for recycled content (10% by FY29 and up to 25% by FY31 for zinc), the government is giving manufacturers a clear, long-term roadmap, making it easier for them to plan and invest in recycling practices. This regulatory clarity supports the development of recycling infrastructure and technologies, driving innovation in metal and plastic recycling.
- Effective October 10, 2024, the Reverse Charge Mechanism (RCM) will require registered buyers purchasing metal scrap from unregistered suppliers to pay Goods and Services Tax (GST). This change aims to curb tax evasion by informal suppliers and level the playing field for compliant businesses. By shifting the tax liability to buyers, the government seeks to encourage formal transactions and improve tax collection in the scrap market. Alongside RCM, a 2% TDS will be applicable on transactions involving metal scrap valued over ₹2,50,000 between registered businesses starting from October 10, 2024. This measure is intended to enhance transparency and traceability in financial transactions within the scrap sector. Registered buyers will need to deduct TDS from payments made for metal scrap purchases, which can be claimed as a credit by the sellers. By enforcing RCM and TDS requirements, the government aims to reduce the dominance of unregulated recyclers and promote safer, more sustainable recycling methods.
- On August 14, 2024, the Ministry of Environment, Forest, and Climate Change (MoEFCC) introduced a significant draft notification for the Hazardous and Other Wastes (Management and Transboundary Movement) Second Amendment Rules, 2024. This amendment is a crucial part of India's strategy to enhance the management of non-ferrous metal waste and promote sustainable practices in the recycling sector.
- The amendment mandates Extended Producer Responsibility (EPR) for producers of non-ferrous metals. This means that manufacturers will be responsible for managing their products throughout their entire lifecycle, including post-consumer disposal.
- Steel Scrap Recycling Policy by Ministry of Steel focuses on establishment of metal scrap recycling centers in India. The policy shall provide guidelines for collection, dismantling and shredding activities by the formal

sector and structuring the informal recycling sector. As India aims to boost its steel production capacity to meet growing demand, the need for quality scrap has become more pressing. The National Steel Policy targets a production capacity of 300 million tonnes per annum by 2030, necessitating a robust supply chain for scrap.

- The Ministry of Road Transport and Highways (MoRTH) has also introduced a Vehicle Scrapping Policy, which complements the Steel Scrap Recycling Policy by incentivizing the removal of older, polluting vehicles from the roads, thereby increasing the availability of scrap.
- NITI Aayog has also proposed "National Material Recycling Policy" to drive coordinated national and state level programs, plans and actions towards ramping up material recycling in India in a formal and organized manner.

Competitive Landscape

Market Structure

India: Lead & Aluminium Recycling Industry: Market Structure

Attributes	Nature	Remarks
Market Structure	*Fragmented*	The India lead & aluminium and plastic industry is fragmented due to the presence of a large number of global and regional players. The competitive environment in this market is expected to intensify because of an increase in R&D innovations and Mergers & Acquisitions in the near future.
Market Growth	*High*	The India lead & aluminium market is expected to grow at a CAGR of 10.7% during 2024-2032. The market was driven by the depletion of natural resources at a fast rate have led governments to make favorable regulations regarding the metal recycling industry.
New Entrants	*Moderate*	The need for huge investments and technological know-how has deterred new entrants from entering the market along with time and cost of entry, lack of specialist knowledge, difficulty in procuring licenses in India, procurement of OEM approvals and an insufficient capability to develop customized products.
Product Differentiation	*Low*	The market is characterized by low product differentiation and switching costs. The large recycling companies differentiate their products in terms of quality standards, and technological innovations.

Key Players in Lead & Aluminium Recycling Market

The fluctuations in metal prices and technological advancements in recycling processes further intensify competition, as companies strive to optimize efficiency and profitability. This competitive landscape pushes businesses to innovate and adopt more sustainable practices to stay ahead in the market. The competitors in the recycling sector include national players such as Gravita India Ltd., Century Metal Recycling, Century NF Casting Limited, Jain Recycling Private Ltd, Jain Resource Recycling Private Ltd, Pilot Industries Limited, Pondy Oxides & Chemicals Limited, amongst other. Moreover, the recycling players operating in overseas market face competition from different players such as Eco Bat and Campine NV and other players operating in the same line of business.

Key Players

India: Lead & Aluminium and Plastic Recycling Market: Key Players

Sr. No.	Company	Headquarters	Company Website
1	Gravita India Limited	Rajasthan	www.gravitaindia.com
2	Nile Limited	Telangana	www.nilelimited.com
3	Century Metal Recycling Group	Haryana	www.cmr.co.in
4	Eswari Global Metal Industries Private Limited	Karnataka	www.emimetals.com
5	Century NF Castings	Haryana	www.cnfcindia.com
6	Ganesha Ecosphere Limited	Uttar Pradesh	www.ganeshaecosphere.com
7	Pondy oxides & chemicals Ltd	Chennai	www.pocl.com
8	Jain Recycling Private Ltd (Jain Metal Group)	Tamil Nadu	www.jainmetalgroup.com

9	Jain Resource Recycling Private Ltd (Jain Metal Group)	Tamil Nadu	www.jainmetalgroup.com
10	Pilot Industries ltd	Delhi	www.pilotindustries.co.in

Key Players Profile

Gravita India Limited

Company Overview:

Established in 1992, Gravita India Ltd. is a prominent player in the global recycling industry, specializing in the recycling of lead, aluminium, plastic and rubber along with Turnkey recycling technology solutions, operates multiple recycling plants across - domestically and internationally. It is one of the largest recyclers of non-ferrous metals in India with a focus on lead recycling. It is a leading global non-ferrous secondary metal and one of India's largest secondary lead metal producing company. Gravita possess specialist expertise in the recycling of used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap. Gravita also provides turnkey solutions to battery recycling industry. The recycled products such as Pure lead, lead alloys, lead powder, oxides, aluminium alloys, pp granules, pet flakes are sold to domestic and international customers. Gravita has 13 strategically located recycling facilities in Asia, Africa and Central America with a capacity of 136,219 MTPA for Lead, 19,200 MTPA for Aluminium and 26,400 MTPA for Plastic. Above 54% revenue flows from overseas market. In India, it has 5 recycling facilities which are located in Jaipur, Gujarat, J & K and Andhra Pradesh. Gravita is India's largest lead acid battery scrap buyer, importing scrap for recycling from around the world. Gravita is one of the leading Turnkey project suppliers for Lead and Aluminium recycling. Gravita's core strength is in environment friendly, cost-effective Recycling at various national & international locations

Product and Service Offering:

- Lead
  - Pure Lead / Refined Lead Ingots
  - Lead Alloys
  - Lead Sheet
  - Lead Plates
  - Red Lead
  - Litharge
  - Others
- Aluminium
- Plastics
  - Polypropylene Granules
  - HDPE Graules
  - Others

Nile Limited

Company Overview:

Nile Limited is an India-based company, established in 1984. Nile limited is one of the largest lead recyclers in India. It is engaged in secondary manufacturing of pure lead and lead alloys. Nile has two secondary Lead recycling plants located at Choutuppal and at Tirupati. The combined capacity of these two plants is 107000 tons of Lead and Lead Alloys per annum. Nile's 2MW wind farm is located at Ramagiri, Ananthapur district, Andhra Pradesh. Nile has been able to establish a quality conscious clientele consisting of manufacturers of lead acid batteries, PVC stabilizers and lead-oxide. Company's major customer is Amara Raja Batteries which contributed around 80% of the total revenue. Nile Limited has two wholly owned subsidiary which are Nile Li-Cycle Private Limited and Nirmalya Extracts Private Limited.

Product and Service Offering:

- Lead & Lead Alloys

- Pure Lead 99.97% Purity
- Lead Antimony Alloys
- Lead Selenium Alloys
- Lead Calcium Alloys
- Lead Tin Alloys

Century Metal Recycling Group

Company Overview:

Century Metal Recycling (CMR) Group also known as CMR Green Technologies Ltd., commenced its business in 2006. CMR group is currently engaged in the business of aluminium, zinc, stainless steel and electric motor recycling. CMR is the largest metal recycler in the domestic aluminium recycling industry and amongst the largest in the world. CMR Group consists of CMR Ltd, CMRT, CMRN, CMR Chiho and CMR Kataria. CMR Group is presently operating through 12 manufacturing plants including 4 plants under two joint ventures with renowned Japanese companies, Toyota Tsusho Corporation and Nikkei MC Aluminium. Out of which, 10 plants undertake aluminium recycling operations, targeted towards the automotive manufacturing sector in India and overseas. Its leading clients in India are Maruti Suzuki, Honda Car, Toyota, Hyundai, Hero Moto Corp, Honda Motorcycle and Scooter, Yamaha, Bajaj, Royal Enfield, Sunbeam, Rockman, Ahresty and many others.

Product and Service Offering:

- Aluminium Alloy (Ingot)
- Zinc Alloy
- Aluminium Alloy (Liquid)
- Stainless Steel Recycling
- Copper Scrap
- Zinc Scrap
- Brass Scrap
- Magnesium Scrap
- Lead Scrap

Eswari Global Metal Industries Private Limited

Company Overview:

Eswari Global Metal Industries Pvt. Ltd., is one among the growing lead recycling plant in India. Eswari Metal Industries, was set up in 1987 in Karnataka by Mr. Palaniappa Chettiar and his brothers; the firm manufactured pure lead and lead alloys from Lead scraps for battery manufacturing company. EMI currently has three units base in Mangalore, India with an annual battery and lead scrap processing capacity of 1,32,000 MTA. EMI manufactures and supplies pure lead and lead alloys of various grades and specifications.

Product and Service Offering:

- Pure Lead (Min.) 99.97% To 99.98% Purity
- Lead Calcium Alloy (Positive & Negative)
- Lead Antimony Alloy 1.6% With Selenium
- Lead Antimony Alloy 2.5% With Selenium
- Lead Tin Alloy
- Lead Antimony Alloy 6%
- Lead Antimony Alloy 10%
- Lead Oxides (Grey And Red Lead)

Century NF Castings

Company Overview:

Century NF Castings (CNFC) was established in 1991. It is division of Century Aluminium Mfg. Co. Ltd. CNFC based in West Bengal; has installed annual capacity of nearly 68,000 M.T. of Aluminium alloys and 15,000 M.T. of Zinc alloys. The Company is successfully marketing its products in the Automobile Industry for over 35 years. Over the years, the Company has developed a strong marketing network spread all over India having offices at Kolkata, Faridabad, Mumbai, Delhi, Chennai, Bangalore and Kanpur. The Company has built a strong reputation for its products. Its leading clients in India are Maruti Suzuki, Enkai, Minda, Tata, JSW Steel, Ahresty and many others.

Product and Service Offering:
- Aluminium Alloys
- Zinc Alloys

Ganesha Ecosphere Limited

Company Overview:

Ganesha Ecosphere Ltd. is a plastic recycling company held in 1987, engaged in the recycling of post consumer PET bottle waste into rPET Fibre. Ganesha Ecosphere has four manufacturing units, situated in Kanpur, Rudrapur, Bilaspur. It has a cumulative capacity of 1,18,800 TPA (1,08,600 TPA of RPSF and 7200 TPA of RPSY and 3000 TPA of dyed and texturised/ twisted filament yarn) of rPET fibre and yarn. Its products find application in the manufacture of textiles (t-shirts, body warmers etc.), functional textiles (non-woven air filter fabric, geo textiles, carpets, car upholstery) and fillings (for pillows, duvets, toys).

Product and Service Offering:
- rPET Fibre for Yarn Spinning
- rPET Fibre for Non Wovens
- rPET Fibre for Flame Retardant (FR)
- rPET Fibre for Fibre Filling*rPET Fibre for Spun Yarn*

Pilot Industries Limited

Headquarters: Khasra No. 340, Village Sultanpur, Meharauli, New Delhi, South Delhi, Delhi-110030, India
Contact Number: +91-11-48576666
Website: https://pilotindustries.co.in

Company Type: Private Independent
Industry: Battery Products Manufacturing
Geographical Presence: India (Delhi, Uttar Pradesh, Uttrakhand, West Bengal and Bihar)

Company Overview:

Pilot Industries Limited was founded in 1969 by Shri Dwarka Prasad Agarwal, who began his career as a trader in battery components. His vision to provide the best products and service to the Indian battery industry was later expanded by his sons, Mr. Sanjeev Agarwal and Mr. Sandeep Agarwal, who introduced professionalism, propelling the company to great success. Committed to continuous improvement and technological innovation, Pilot Industries stands as a renowned business in India, supported by advanced manufacturing systems, a well-equipped lab, R&D, and a highly skilled team focused on quality control. The company is mainly engaged in manufacturing different types of eco-friendly batteries like inverter battery, rickshaw battery, automotive battery, etc. In addition, the company also offers recycling services for batteries, lead, battery plate, and lead wastes.

Product and Service Offering:
- Battery Recycling
- Lead Recycling Process
- Battery Plate Recycling

- Lead Waste Recycling

Pondy Oxides and Chemicals Limited

Headquarters: 4th Floor, KRM Centre, No:2, Harrington Road, Chetpet, Chennai – 600 031,
India
Contact Number: +91-44–42965454
Website: www.pocl.com

Company Type: Public Limited
Industry: Lead, Lead Alloys and Plastic Additives Manufacturing
Geographical Presence: India (Gujarat, Tamin Nadu and Andhra Pradesh)

Company Overview:

POCL, established in March 1995, is India-based producer of lead and lead alloys. Listed on the Bombay Stock Exchange and National Stock Exchange, POCL has grown consistently and built a strong brand in both domestic and international markets. Recognized as a STAR EXPORT HOUSE by the Ministry of Finance and Commerce, POCL has also earned multiple awards as a top exporter from South India. The company is expanding its lead and lead alloy capacity with a new state-of-the-art smelter in South India, committed to delivering value through continuous improvement, investments, and technological upgrades aligned with international standards. The company's vision 2030 aims to support a circular economy by establishing recycling initiatives across areas like lithium-ion batteries, e-waste, plastics, rubber, oil, glass, and paper, while creating value-added products. In line with this, the company established a wholly-owned subsidiary in 2022, POCL Future Tech Private Limited, to expand into plastic recycling. Also in 2023, POCL initiated its aluminium recycling/melting facility in the facility situated in Sriperumbudur (Tamil Nadu). By 2024, the company encompassed variety of recycling methods with plastic recycling with a capacity of 9,000 MTPA, copper recycling with a capacity of 6,000 MTPA, lead recycling with a capacity of 132,000 MTPA and aluminum with a capacity of 12,000 MTPA.

Product and Service Offering:
- Copper Recycling
- Lead Recycling
- Aluminum Recycling
- Plastic Recycling
- Lead and Lead Alloy

Jain Metal Group (Jain Resource Recycling Pvt Ltd and Jain Recycling Private Ltd)

Headquarters: The Lattice 4th Floor, Old No. 7/1, New No. 20, Waddels Road, Kilpauk, Chennai – 600010,
Tamil Nadu, India
Contact Number: +91- 44 43409494
Website: www.jainmetalgroup.com

Company Type: Private Limited
Industry: Non-Ferrous Recycling and Manufacturing
Geographical Presence: Global (with presence in 70 countries)

Company Overview:

Since 1950, the Jain Metal Group has been a pioneer in non-ferrous metal (copper, lead, aluminum, and plastic) recycling, specializing in the recycling and manufacturing of copper and its alloys, lead and lead alloys, aluminum and its alloys, tin ingots, and plastic. Over the years, the group expanded its offerings to include recycled aluminum, stainless steel, and copper sheets. In 2013, it entered lead recycling, initially from lead-acid battery scrap, later diversifying into lead scrap and copper cable recycling. In 2018, it opened the largest copper cable scrap recycling plant in Southeast Asia. The group has since ventured into plastic and motor scrap recycling, and recently added aluminum recycling, producing die-cast aluminum alloys. The group operates through three entities: Jain Resource Recycling Private Limited (the largest producer of recycled lead ingots in India), Jain

Recycling Private Limited (a top producer of recycled copper and plastic granules), and Jain Green Technologies Private Limited (a leading producer and exporter of aluminum alloys and molten aluminum).

Jain Resource Recycling Pvt Ltd (JRRPL): Established in 1954 as a partnership under the name Jain Metal Rolling Mills, the company was restructured into a private limited entity in 2022. JRRPL manufactures refined lead antimony alloys, lead ingots, copper ingots, copper billets, and more at its two facilities in Tiruvallur.

Jain Recycling Private Ltd (JRPL): Originally founded in 2018 as Jain FGL Metal Industries by Mr. Kamlesh Jain and Mr. Mayank Pareek, the company was restructured into a private limited company in January 2020, adopting the current name. JRPL specializes in recycling copper billets, ingots, barley, polyvinyl chloride granules, plastic peels, and other materials, with two manufacturing units located in Gummidipoondi.

Product and Service Offering:
- Copper Recycling
- Lead Recycling
- Aluminum Recycling
- Plastic Recycling
- Tin Recycling
- Gold Refining
- Heavy Minerals Mining

Global Rubber Recycling Market

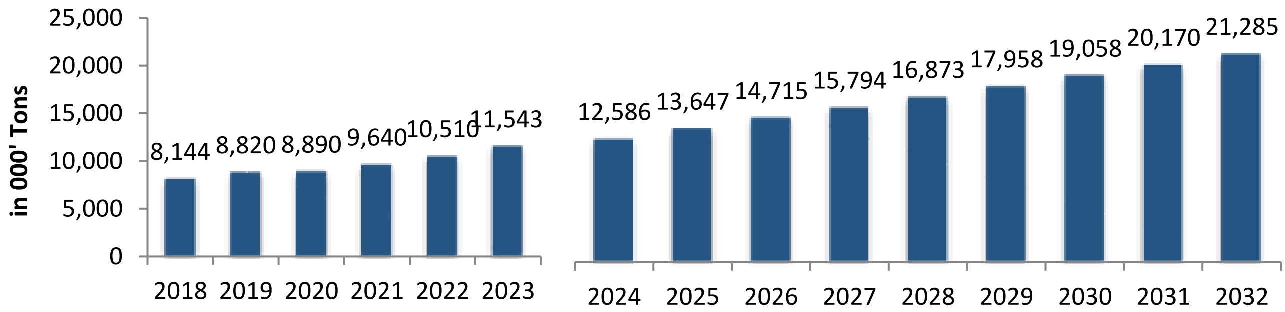
Market Performance

The global rubber recycling market reached a volume of 11,543,450 tons in 2023, growing at a CAGR of 7.2% during 2018–2023.

Rubber recycling involves processing damaged or worn-out rubber, both natural and synthetic, to create new products. This helps reduce landfill waste, saves energy compared to producing new rubber, and eases pressure on natural rubber sources while curbing pollution.

Over the years, the constant innovations have played a crucial role in developing sustainable, circular end-use markets. One such advancement includes rubber pavement that can self-repair when it rains, showcasing the creative use of recycled rubber. Modern technologies, such as pyrolysis and devulcanization, have further streamlined rubber recycling, making it more practical and efficient. This in turn, is promoting the market growth.

Global: Rubber Recycling Market: Volume (in '000 Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the global rubber recycling market to grow at a CAGR of 6.8% during 2024-2032, reaching a volume of 21,284,919 tons by 2032.

Moreover, the growing awareness of environmental sustainability and the need to lower carbon footprints among various end-users are expected to significantly drive the growth of the Rubber Recycling market. For instance, in August 2024, Continental has signed a long-term agreement with Pyrum Innovations to acquire recovered carbon black (rCB) from end-of-life tires for use in passenger car tire production. This builds on their 2022 partnership to enhance tire recycling and reduce fossil material use and CO2 emissions. These companies are setting the standard for sustainable practices in the rubber recycling market, highlighting the shift toward more eco-conscious operations.

Additionally, global regulations aimed at reducing landfill waste and promoting recycling are likely to motivate market expansion. Initiatives like the European Union's and the US push for stricter waste management practices have sparked further interest in scalable rubber recycling solutions, ensuring the market's continued growth.

Market Breakup by Region

- In 2023, Asia-Pacific represented the largest region for rubber recycling globally, accounting for a share of 51.8% of the total market.
- Asia-Pacific was followed by North America (23.7%), Europe (18.2%), Latin America (3.6%), and Middle East and Africa (2.7%).

Global Lithium-Ion Battery Recycling Market

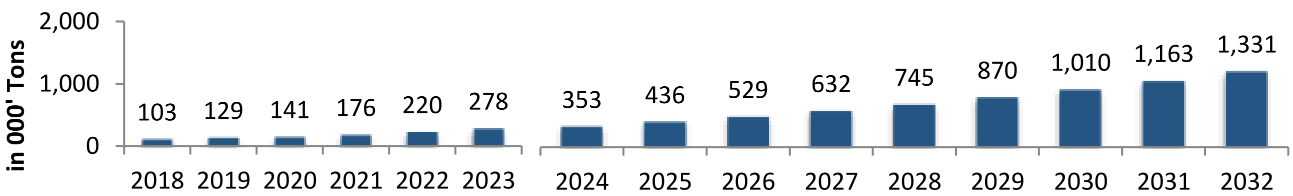
Market Performance

The global lithium-ion battery recycling market reached a volume of 277,996 tons in 2023, growing at a CAGR of 21.9% during 2018–2023.

The rising demand for lithium-ion batteries, driven by the growth of electric vehicles, renewable energy, and portable electronics, underscores the need for sustainable end-of-life solutions. Hence, recycling of lithium-ion batteries is gaining traction in order to reduce its environmental impacts, conserve resources, and support a circular economy by reclaiming valuable materials like lithium, cobalt, nickel, and manganese.

Another prominent trends in the global lithium-ion battery recycling market is the growing adoption of advanced technologies such as pyrometallurgical, hydrometallurgical, etc., thus improving the recovery rate of critical materials. For example, Li-Cycle, a leader in LIB recycling, uses hydrometallurgical processes to recover up to 95% of battery materials, which are then reintegrated into the supply chain.

Global: Lithium-ion Battery Recycling Market: Volume (in '000 Tons), 2018-2023



Source: Analyst Report, Expert Interviews and IMARC Group

Looking forward, we expect the global lithium-ion battery recycling market to grow at a CAGR of 18.1% during 2024-2032, reaching a volume of 1,330,572 tons by 2032.

On the other hand, the consistent collaborative efforts among governments, manufacturers, and recycling companies as well as strategic initiatives by the players are fostering the creation of more sustainable recycling practices. Volkswagen's pilot recycling facility in Germany exemplifies their sustainability commitment by reclaiming up to 90% of valuable materials from depleted batteries. These developments are likely to proliferate the lithium-ion battery recycling market in the future.

Additionally, governments globally are tightening regulations to promote battery recycling and mitigate environmental risks, which in turn, will promote the market growth in the projected period. Such as the EU mandates recycling policies, while the US allocates substantial funding under the Bipartisan Infrastructure Law to enhance recycling efforts.

Market Breakup by Region

- In 2023, Asia-Pacific represented the largest region for lithium-ion battery recycling globally, accounting for a share of 80.9% of the total market.
- Asia-Pacific was followed by Europe (9.5%), North America (8.1%), South America (1.0%), and Middle East and Africa (0.5%).

Global Steel Recycling Market

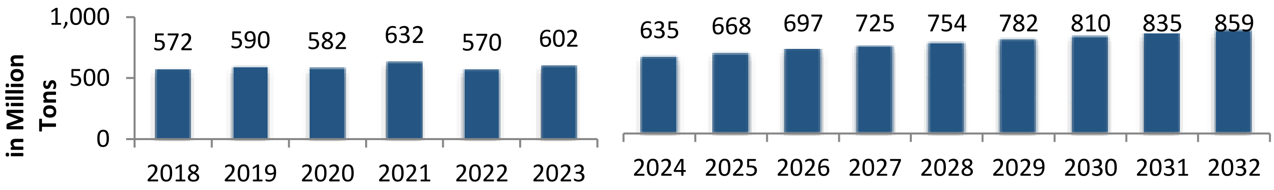
Market Performance

The global steel recycling market reached a volume of 602 Million tons in 2023, growing at a CAGR of 1.0% during 2018–2023.

Over the years, the steel recycling industry gained traction as it became essential to maintain sustainability, reduce energy use, and cutting emissions. As the world's most recycled material, steel can be reused infinitely, its market grew in the past years. Currently, around 40% of global steel production comes from recycling, with 60% of steel being recycled, totaling 1,085 million tons annually, meeting rising sustainability demands.

Moreover, industries are focusing on circular economy practices, with companies like ArcelorMittal promoting sustainability through steel recycling. Advanced technologies like AI sorting, as seen in Tata Steel, also improve recycled steel quality. Green steel initiatives, such as SSAB's hydrogen-based production, aim for zero emissions. All these factors have cumulatively promoted the demand for steel recycling market.

Global: Steel Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the global steel recycling market to grow at a CAGR of 3.9% during 2024-2032, reaching a volume of 859 million tons by 2032.

Many operating players in the industry are also undergoing strategic activities to gain competitive advantage. Such as, ArcelorMittal process around 30 million tons of scrap annually through its XCarb initiative for low-carbon steel. Similarly, Tata Steel is advancing recycling in India and Europe with its "Steel Recycling Business," aiming for significant recycled production by 2025. Nucor, North America's recycler, uses eco-friendly Electric Arc Furnace technology to recycle over 17 million tons of scrap annually. While SSAB is driving innovation with its HYBRIT initiative for fossil-free steel, partnering with LKAB and Vattenfall to reduce emissions and enhance recycling, setting new standards in sustainable steel production. These developments are likely to generate new opportunities for the market in the future.

Market Breakup by Region

- In 2023, Asia-Pacific represented the largest region for steel recycling globally, accounting for a share of 60.5% of the total market.
- Asia-Pacific was followed by Europe (24.1%), North America (12.4%), Middle East and Africa (1.8%) and Latin America (1.2%).

Global Paper Recycling Market

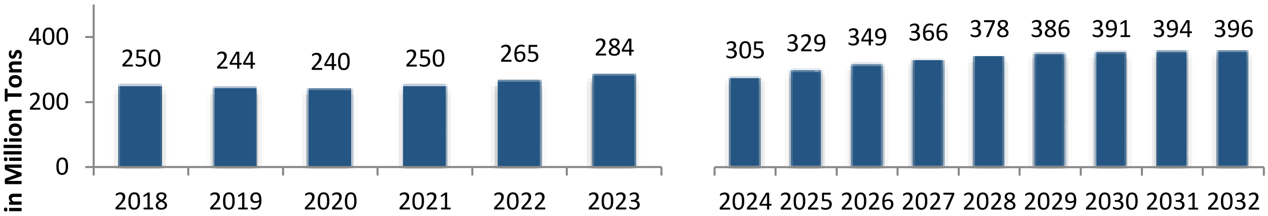
Market Performance

The global paper recycling market reached a volume of 284 million tons in 2023, growing at a CAGR of 2.6% during 2018–2023.

The global paper recycling market is growing on the backdrop of increased environmental awareness, stricter government regulations, and technological progress. Moreover, a rising consumer demand for sustainable products and packaging has boosted the need for recycled paper. Additionally, governments are enforcing regulations to reduce waste and emissions, further supporting market growth.

The paper recycling sector is also evolving due to technological advancements and policy initiatives. Such as, New technology in Victoria, Australia, has increased the state's recycling capacity for mixed paper and cardboard by 40%. The drum pulper, unveiled at Visy's Coolaroo facility, can recycle an additional 95,000 tonnes annually, reducing landfill waste. Victoria plans to implement statewide curbside waste standards, addressing issues like pizza box recycling, which is restricted in some local councils.

Global: Paper Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the global paper recycling market to grow at a CAGR of 3.3% during 2024-2032, reaching a volume of 396 million tons by 2032.

In the coming years, the operating companies are likely to catapult market growth by adopting paper recycling initiatives. For example, International Paper, a major global producer, aims to recycle or recover 100% of its products by 2030. Additionally, Mondi Group focuses on innovative solutions, promoting recyclable products and incorporating post-consumer recycled content in their manufacturing processes. These efforts enhance recycling rates and create significant positive environmental impacts throughout the value chain.

Governments worldwide are also enforcing regulations to encourage paper recycling. For instance, the EU's Waste Framework Directive requires 55% municipal waste recycling by 2025, improving collection and facilities. While the US EPA promotes guidelines and state initiatives like California's Recycling Act. China, post-2018 import ban, is enhancing domestic recycling infrastructure and systems.

Market Breakup by Region

- In 2023, Asia-Pacific represented the largest region for paper recycling globally, accounting for a share of 45.2% of the total market.
- Asia-Pacific was followed by Europe (27.1%), North America (19.2%), Latin America (5.6%), and Middle East and Africa (2.9%).

India Rubber Recycling Market

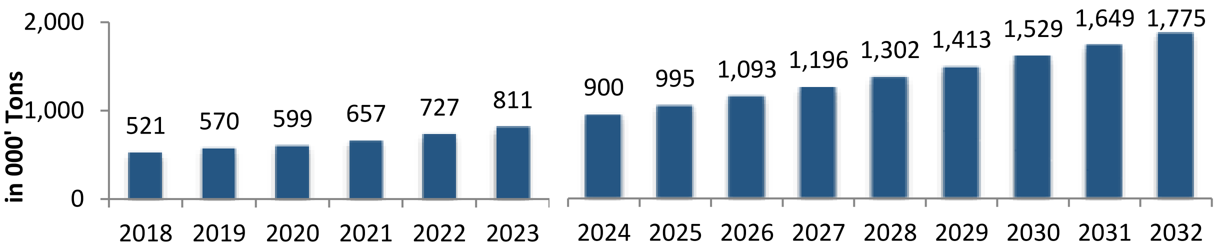
Market Performance

The India rubber recycling market reached a volume of 810,811 tons in 2023, growing at a CAGR of 9.3% during 2018–2023.

In general, the rubber recycling market repurposes discarded products like used tires and industrial waste to reduce landfill use and enhance sustainability. Waste rubber is converted into valuable materials such as crumb rubber and reclaimed rubber for applications in road construction, molded products, and playground surfaces.

Over the years, India has advanced in rubber recycling through innovations focused on sustainability. Such as, Pyrolysis plants convert waste tires into fuel oil and carbon black. Many players are also transforming the industry.

India: Rubber Recycling Market: Volume (in '000 Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the India rubber recycling market to grow at a CAGR of 8.9% during 2024-2032, reaching a volume of 1,774,755 Tons by 2032.

The push for a circular economy, driven by policies like Swachh Bharat Abhiyan, is likely to encourage the way for substantial investment in recycling infrastructure.

Major companies like JK Tyre & Industries and Apollo Tyres are also investing in sustainable recycling programs, collaborating with recycling plants to enhance the repurposing of scrap rubber as well as introducing recyclable tyres. Such as, in April 2023, JK Tyre developed new tire “UX Green Tire” using sustainable and recycled materials certified by International Sustainability and Carbon Certification (ISCC), including recycled rubber powder. Also, leveraging advanced retreading technology to extend the life of used tires, and promoting cost-effectiveness. These initiatives reflect a commitment to a circular economy, reducing reliance on virgin rubber. Such developments are expected to bolster market growth in the future.

Market Breakup by Organized and Unorganized Sector

- In 2023, Organized sector represented the largest in the rubber recycling in India, accounting for a share of 57.2% of the total market.
- Organized sector was followed by unorganized sector with 42.8%.

Market Breakup by Region

- In 2023, western and central India represented the largest region for rubber recycling in India, accounting for a share of 38.9% of the total market.

Western and central India was followed by Southern India (28.3%), Northern India (22.4%), and Eastern India (10.4%).

Market Breakup by Industry

- In 2023, tyres represented the largest industry for rubber recycling in India, accounting for a share of 69.7% of the total market.

Tyres was followed by conveyor belt and hoses (9.8%), footwear (6.7%), and others (13.8%).

Market Dynamics

The rubber recycling market in India is steadily gaining importance due to growing environmental concerns and a push towards sustainable practices. With millions of tires discarded annually, the need for effective waste management has become more pronounced. According to the MRAI, every year over 1.6 billion new tires are generated and around 1 billion of waste tires are generated. However, the recycling industry processed only 100 million tires every year. Hence, more rubber recycling offers a solution by converting waste rubber into reusable materials, such as crumb rubber, reclaimed rubber, and fuel oil, contributing to a more sustainable economy. The market is seeing participation from both large-scale industries and smaller enterprises aiming to tap into the economic and environmental benefits of recycling. This has helped create a burgeoning market driven by the dual goals of reducing landfill waste and conserving natural resources.
One notable trend in India’s rubber recycling market is the adoption of advanced technologies such as pyrolysis and devulcanization. Innovation plays a crucial role in the advancement of the rubber recycling industry in India. Companies are developing new technologies and processes to enhance the quality and efficiency of recycling. Such as, in May 2024, UK-based ReTyre showcased its technology to Indian tyre manufacturers facing strict Extended Producer Responsibility (EPR) regulations. The technology uses "green" materials and maximizes the incorporation of activR in production, reducing costs and carbon footprints by recycling waste at the source. The event featured R&D leaders from Apollo Tyres, CEAT, Continental,

TVS Tyres, Goodyear, Deloitte, and Yokohama, who were introduced to ReTyre's UHP (FDPT®) water jet micronisation process. This process separates rubber from steel and beadwire using water jetting, producing recyclable steel and partially devulcanised rubber, activR, with zero waste. activR's active surface makes it ideal for new tyre production. Developed after 15 years of research at Imperial College London, the technology requires minimal infrastructure.

Additionally, there is a growing demand for recycled rubber in the production of construction materials, such as rubberized asphalt for road construction. Besides, the Indian government is also understanding the changing sustainability needs and promoting rubber recycling actively. For instance, the Indian Union Transport Minister Mr. Nitin Gadkari emphasized on the importance of incorporating recycled waste, including rubber, into the road manufacturing.

He also added that the dependence on imported oil can be reduced by including recycled rubber tires and plastic in road construction. The market has also witnessed an increased use of recycled rubber in playground surfaces and sports facilities, reflecting a shift towards eco-friendly building materials. All these parameters together is transforming the rubber recycling in the country

Environmental regulations are another significant driver for the rubber recycling market in India. Government policies aimed at waste reduction and sustainability, such as the Swachh Bharat Abhiyan, encourage recycling practices that help manage the growing rubber waste problem. The Indian government has also implemented several regulations to support the growth of the rubber recycling industry. Policies aimed at reducing landfill waste and promoting the reuse of materials have laid the groundwork for increased recycling efforts. For instance, EPR shifts the responsibility for a product's environmental impact to the producer throughout its life cycle, including disposal. While monitoring compliance is challenging, enforcing the law is a bigger issue. New guidelines approved by the Ministry of Environment, Forest, and Climate Change (MoEFCC) strengthen waste tyre management, imposing penalties up to INR 8.40 per kg for unmet EPR targets and fines for reporting inaccuracies or violations of waste regulations. Repeated offences may incur higher fines. Overall, government initiatives and policies play an essential role in shaping the future of the rubber recycling industry, pushing for a balance between environmental responsibility and industrial growth.

Benefits of Recycled Rubber

- **Consumption of Less Energy:** Recycling rubber offers significant environmental benefits by drastically reducing energy consumption and greenhouse gas emissions. Regular rubber production consumes a substantial amount of energy, contributing to high carbon emissions. With over 250 million tires discarded annually, the impact on the environment is considerable. However, recycling minimizes these effects, as producing new items from recycled rubber is more energy-efficient, cutting emissions significantly. For instance, recycling four tires can lower carbon dioxide emissions by approximately 323 pounds, equivalent to saving an 18-gallon tank of gasoline. Additionally, recycling rubber creates a carbon footprint up to 20 times smaller, showcasing its crucial role in fostering a sustainable environment.
- **Less Pressure on Natural Rubber:** Rubber recycling reduces pressure on natural rubber sources, protecting ecosystems and biodiversity. By reusing rubber, manufacturers can meet production needs without relying on latex-producing plants, conserving natural resources and promoting ecological balance.
- **Conserve Space for Landfills:** Recycling rubber plays a crucial role in conserving space in landfills, which are often overcrowded with millions of discarded rubber products, including tires. With large rubber items ending up in landfills annually, these non-biodegradable products occupy a significant amount of space, contributing to environmental strain.
- **Reduces Illegal Dumping:** It significantly helps in reducing illegal dumping, which poses serious environmental hazards. When rubber products and other waste are illegally discarded, particularly near water bodies like lakes and rivers, they can contaminate ecosystems and harm wildlife. By promoting and implementing effective rubber recycling practices, there is less incentive for illegal dumping, leading to a cleaner environment and protecting natural water sources from harmful pollutants.
- **Reduces Environmental Pollution:** Recycling rubber reduces pollution by preventing it from occupying landfills, releasing toxins, or catching fire. It also stops tires from holding water, which can breed disease and contaminate water bodies. Recycling helps create cleaner, safer ecosystems.
- **Creates New Products:** It is highly beneficial as it enables the creation of new, valuable products that often outperform traditional alternatives. For example, recycled tires are converted into fuel that is more efficient and emits fewer harmful pollutants than coal-based fuel. Additionally, recycled rubber is used to produce playground turf, railroad ties, flooring, and rubberized asphalt, which offers enhanced skid resistance and durability compared to conventional paving materials. This highlights how recycling not only reduces waste but also leads to the development of superior, eco-friendly products that contribute to sustainability.
- **Improves Local Economy:** Recycling rubber boosts the local economy by creating jobs in waste processing and supporting businesses that use recycled rubber in products like playground surfaces and asphalt. It reduces reliance on imports, cuts landfill costs, and promotes sustainable development, fostering a more resilient local economy.

Key Industry Trends

Over the years, the Indian rubber recycling market has grown rapidly, fueled by both economic demand and environmental concerns. The demand for recycled rubber is increasing due to its lower environmental impact compared to virgin rubber. Herein, recycling rubber helps reduce waste and lowers carbon emissions, making it a more sustainable option for industries such as automotive, construction, and manufacturing. Furthermore, the market is witnessing the adoption of advanced technologies to enhance the efficiency of the recycling process. For example, companies like Bangalore-based ReTire Technologies are leading the way with innovative rubber processing methods, contributing to the development of high-quality recycled rubber products for new tire production and other applications.
Moreover, recycled rubbers are being utilized in many areas. Such as, recycled rubber is used to produce playground turf, railroad ties, flooring, and rubberized asphalt, which offers enhanced skid resistance and durability compared to conventional paving materials. This trend is further encouraging the adoption of recycling activities related to rubber and rubber-based waste products.
Despite the growth potential, the Indian rubber recycling market faces several challenges. One of the main issues is the inadequate collection and segregation of end-of-life rubber products, which results in a heavy reliance on imports of used tires for recycling. Additionally, the informal recycling sector often operates without proper environmental and safety standards, leading to inefficient and hazardous practices. There is also a lack of infrastructure and advanced recycling technologies, which slows down the adoption of more efficient recycling methods. Furthermore, the competition from low-cost primary rubber production creates additional pressure on recyclers to maintain profitability.

Market Drivers and Challenges
Market Drivers:

- Technological advancements like devulcanization and pyrolysis improve recycling efficiency and meet industry standards.
- Adoption of green chemistry reduces hazardous substances, ensuring eco-friendly recycling processes.
- Recycled rubber is increasingly used for sustainable flooring solutions in playgrounds and sports facilities.
- Companies are shifting towards eco-friendly products, exemplified by Apollo Tyres' "Pledge Your Tyres" initiative for sustainable football pitches.
- Collaborations, such as Apollo Tyres' partnership with Tyromer Inc., boost eco-friendly innovations and supply chain sustainability.

Market Challenges:

- High initial investment in advanced recycling facilities limits smaller enterprises from market entry or expansion.
- Ensuring consistent quality in recycled rubber remains difficult due to input material variability.
- Poor waste collection and sorting infrastructure hampers efficient rubber recycling in India.
- Recycled rubber faces competition from cheaper, higher-quality virgin rubber.
- Recycling processes still involve emissions and energy use, requiring ongoing environmental improvements.

India Lithium-Ion Battery Recycling Market

Market Performance

The India lithium-ion battery recycling market reached a volume of 13,900 tons in 2023, growing at a CAGR of 25.3% during 2018–2023.

India’s rapid shift towards electric mobility and renewable energy has sparked a surge in lithium-ion battery usage. This trend has significantly burgeoned the demand for recycling lithium-ion batteries in India to manage waste, recover valuable materials, and foster a sustainable, circular economy.

India's lithium-ion battery recycling industry is also advancing through extended capacities of the operating players in the industry. For instance, in July 2024 Attero Recycling announced its aim to expand its lithium-ion (Li-ion) battery recycling capacity to 200,000 t/yr within 2½ years and 300,000 t/yr in five years. Currently, the company recycles 15,000 t/yr of Li-ion batteries and 144,000 t/yr of e-waste at its Roorkee plant in Uttarakhand. These initiatives support eco-friendly practices and strengthen India's position in sustainable energy resource management.

Market Forecast

Looking forward, we expect the India lithium-ion battery recycling market to grow at a CAGR of 20.6% during 2024-2032, reaching a volume of 81,209 Tons by 2032.

The future of lithium-ion battery recycling in India looks promising, fueled by growing awareness, technological progress, and supportive regulations. Such as, India's Ministry of Environment enforces guidelines promoting battery recycling and reuse, emphasizing extended producer responsibility (EPR) to compel manufacturers to oversee the complete lifecycle of their products.

In addition, the India lithium-ion battery recycle industry is expected to be fueled by the growing recycling investments, technology adoption and partnerships for scaling up recycling capacity and improving material recovery techniques. For instance, Gurgaon-based Exigo Recycling have adopted advanced mechanical and hydrometallurgical process implementation enabling demanufacturing from waste batteries to battery-grade material. By implementing such cutting-edge technology, players are expected to set industry standards for efficiency and sustainable recycling practices in India.

Market Breakup by Organized and Unorganized Sector

- In 2023, Unorganized sector represented the largest in the lithium-ion battery recycling in India, accounting for a share of 72.8% of the total market.
- Unorganized sector was followed by organized sector with 27.2%.

Market Breakup by Region

- In 2023, Northern India represented the largest region for lithium-ion battery recycling in India, accounting for a share of 36.4% of the total market.
- Northern India was followed by Western and central India (29.7%), Southern India (25.3%), and Eastern India (8.6%).

India Steel Recycling Market

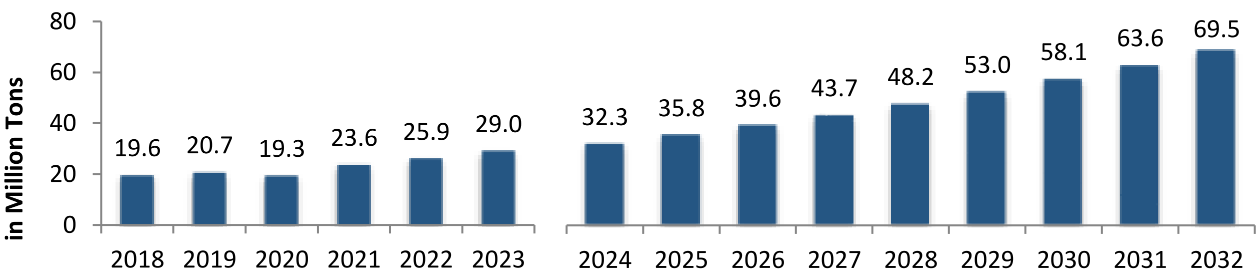
Market Performance

The India steel recycling market reached a volume of 29.0 million tons in 2023, growing at a CAGR of 8.2% during 2018–2023.

The demand for steel recycling sector in India is growing tremendously on account of growing steel demand for various applications. Also, steel can be endlessly recycled without losing its material properties. They can be restructured to create new steel with different properties.

India is planning to increase the share of scrap in steel production to 50% by 2047, aiming to reduce pollution through green steel. Currently, India produces 25 million tons of scrap annually and imports 5 million tons. Steel Minister Jotiraditya Scindia emphasized the need for advanced recycling centers to help reduce emissions in the sector, which currently emits 2.55 tons of CO_2 per ton of steel. Some other key trends in India's steel recycling market include the integration of advanced technologies, boosting efficiency with automated sorting, shredding, and smelting for better scrap processing.

India: Steel Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the India steel recycling market to grow at a CAGR of 10.1% during 2024-2032, reaching a volume of 69.5 million tons by 2032.

Many initiatives in India's steel recycling sector led by major industry players committed to sustainability is projected to motivate steel recycling in the country in coming years. Such as, Tata Steel is advancing its use of scrap, supported by its Scrap Purchasing app that streamlines collection from smaller suppliers for an efficient supply chain. Similarly, JSW Steel has made significant investments in recycling technologies and Electric Arc Furnaces, emphasizing eco-friendly practices. SAIL is also strengthening its recycling efforts by integrating more scrap into its production, aligning with sustainability goals and regulatory standards.

In addition, the government policies like the National Steel Policy 2017 and the 2019 Metal Scrap Recycling Policy are likely to support the market's growth by formalizing scrap management. Also, BIS standards ensure high-quality recycled steel, enhancing its viability for industrial use.

Market Breakup by Organized and Unorganized Sector

- In 2023, Unorganized sector represented the largest in the steel recycling in India, accounting for a share of 68.9% of the total market.
- Unorganized sector was followed by organized sector with 31.1%.

Market Breakup by Region

- In 2023, Southern India represented the largest region for steel recycling in India, accounting for a share of 37.2% of the total market.
- Southern India was followed by Western and central India (27.1%), Northern India (24.8%), and Eastern India (10.9%).

India Paper Recycling Market

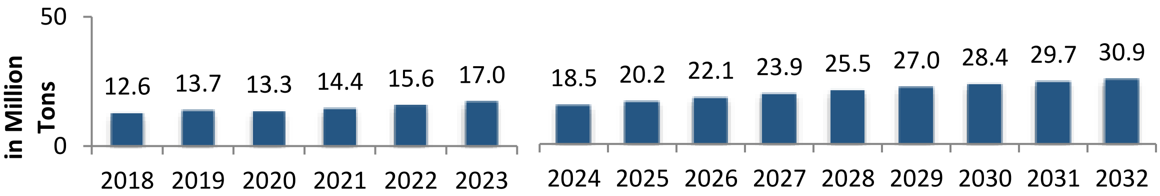
Market Performance

The India paper recycling market reached a volume of 17.0 million tons in 2023, growing at a CAGR of 6.3% during 2018–2023.

The demand for recycled paper in India is driven by the need for sustainability, cost-effectiveness, and limited virgin pulp availability. Currently, 70-75% of paper consumed in India is made from recycled fibre, requiring about 20 million tonnes of waste paper annually. This shift from relying on wood, agro-based fibre, and recycled fibre in paper production reflects the growing use of recycled materials, especially in industrial-grade papers like packaging and kraft paper, due to the scarcity of other raw materials.

India's paper recycling industry is also growing, driven by improved urban collection systems, job creation, and technological advancements like automated sorting and AI. Public-private partnerships for awareness, along with state support, further positively influence recycling efforts. For instance, programs like ITC's "WOW" educate on segregation and recycling, while PRAI campaigns raise awareness and promote best practices, enhancing the industry's sustainability impact across communities.

India: Paper Recycling Market: Volume (in Million Tons)



Source: Analyst Report, Expert Interviews and IMARC Group

Market Forecast

Looking forward, we expect the India paper recycling market to grow at a CAGR of 6.6% during 2024-2032, reaching a volume of 30.9 million tons by 2032.
On the other hand, the demand for paper recycling industry is poised to grow in the coming years owing to new developments in the technology. For instance, in January 2024, Indic Initiatives, located in Bangalore, India, has created a paper recycling machine that can prevent 2,000 tonnes of paper waste from reaching landfills daily. The technology was developed by co-founders Seetharaman Basavanahalli, Vinay Kumar, and Rajeev Dixit in response to significant disruptions in the domestic paper industry caused by the Covid-19 pandemic.
In addition to this, government regulations like Extended Producer Responsibility (EPR) push companies to manage product lifecycles sustainably. The Municipal Solid Waste Rules promote source segregation, while Central Pollution Control Board guidelines ensure recycling units meet emission standards, fostering eco-friendly practices.

Market Breakup by Organized and Unorganized Sector

- In 2023, organized sector represented the largest in the paper recycling in India, accounting for a share of 57.2% of the total market.
- Organized sector was followed by unorganized sector with 42.8%.

Market Breakup by Region

- In 2023, Northern India Southern India represented the largest region for paper recycling in India, accounting for a share of 37.9% of the total market.
- Northern India was followed by Western and central India (33.2%), Southern India (19.2%), and Eastern India (9.7%).

Entry Barriers in India Recycling Industry
Entry into the Indian recycling market has multiple barriers due to factors such as time and cost of entry, lack of specialist knowledge, difficulty in procuring licenses in India, procurement of OEM approvals and an insufficient capability to develop customized products.

Procurement Network
- The recycling industry in India faces several challenges, with the procurement network being a key barrier. The availability of a well-established procurement system can significantly impact new businesses by affecting their ability to source raw materials and maintain a consistent supply chain. Without an efficient system for collecting and transporting materials, even advanced recycling facilities may experience operational disruptions. Apart from procurement, some of the other barriers to recycling sector in India include: *Fragmented Supply Chain:* India's waste collection system is heavily influenced by the organized and unorganized sector, contributing to a largely fragmented supply chain for recyclable materials. Owing to this, new entrants often faces challenges in building connections with waste collectors and intermediaries who have established long-standing relationships with existing companies. Thus, it is advisable for the new recycling startups to compete effectively by acknowledging this dynamic and work on measures like some big competitors have adopted. Such as, established players ITC has introduced “WOW” initiative, through which it has secured contracts with major waste aggregators and municipalities, creating deep-rooted networks that newcomers find hard to penetrate.
- *Dependency on the Informal Sector:* India's recycling industry relies significantly on the informal waste collection sector, including kabadiwalas and rag pickers, who are essential for supplying recyclable materials. Surveys show there are only 468 authorized e-waste dismantlers, with a combined capacity of 1.38 million tonnes, which often remains underutilized due to the prevalence of unregistered kabadiwalas, making up about 1% of the population. Therefore, for any new entrants, building trust and forming effective partnerships with these informal workers is challenging and requires considerable time and resources.
- *Established Relationships:* Although there are many unauthorized collectors of waste in India, there are few long-standing relationships between recyclers and suppliers that create significant barriers for new entrants in the recycling industry. Established players often secure exclusive agreements with waste generators, ensuring a steady inflow of recyclable materials. This consistent supply allows them to maintain operations seamlessly. For instance, large recyclers like Gem Enviro Management plastic recycling company has a nationwide network of waste collectors and recyclers.
- It prevents over 1 million MT of recyclable plastic and 100,000 MT of multi-layered plastic waste from polluting the environment each year.
- *Technological Barriers:* Technological barriers pose a significant challenge for new recycling companies entering the Indian market. While recycling technology has advanced globally, many of the existing systems in India are either outdated or not suited to the diverse range of materials being processed. For instance,

efficient sorting technologies, such as automated systems using artificial intelligence (AI), are expensive and often inaccessible to new or smaller players. Moreover, the lack of scalable, affordable, and effective technologies for processing complex materials, such as plastic and electronic waste, further complicates entry into the market. The absence of standardized equipment for various types of recyclables means companies may need to invest heavily in customized solutions, raising initial costs. Additionally, there is a lack of technical expertise in managing sophisticated recycling processes, which can hinder the development of efficient operations.
- *Government Regulations and Support:* Government policies such as the Plastic Waste Management Rules and the Extended Producer Responsibility (EPR) framework aim to promote recycling but can also create entry barriers. Established companies with EPR authorizations and approved collection processes have a competitive edge over newcomers.

OEM Approvals

OEM approvals and certifications ensure recycled materials meet strict quality standards, creating entry barriers for new recyclers in India. High standards for material quality mean newcomers face challenges securing certifications and aligning with industry criteria. Some of the approvals or certifications are as follows:

- *ISO Certifications:* ISO Certifications, such as ISO 9001 for quality management and ISO 14001 for environmental management, are crucial for new recycling companies aiming to meet OEM standards. These certifications ensure that recycling facilities adhere to strict quality and environmental protocols, demonstrating compliance with industry expectations. For instance, Gravita India Limited holds these certifications, enabling them to supply recycled metals to automotive OEMs, setting a competitive standard. Acquiring such certifications can be difficult for new entrants due to the significant investment and compliance required.
- *BIS certification:* BIS certification is another key requirement for recyclers in India, ensuring compliance with national safety and quality standards. For materials like plastic granules used in packaging and automotive sectors, obtaining this certification involves rigorous testing and considerable investment, creating barriers for smaller firms. Similarly, in steel recycling, the BIS standard IS 2549:2023 ensures the quality of processed ferrous scrap for reuse in manufacturing, while rubber recycling requires certification like IS 638:1979 to maintain product safety and market compliance.
- *Extended Producer Responsibility (EPR):* Extended Producer Responsibility (EPR) regulations require producers to manage the entire lifecycle of their products, including recycling and safe disposal. This is a critical compliance factor for recyclers aiming to collaborate with OEMs in India. Established companies, like Nestlé India, partner with certified recyclers such as Hasiru Dala and NEPRA to fulfill their EPR obligations, facilitating the collection and processing of post-consumer waste. For new recyclers, meeting EPR requirements and establishing similar partnerships presents a complex challenge, creating a significant entry barrier.

Capability to Develop Specialized/Value Added Products

In India's recycling industry, producing specialized or value-added products acts as a major entry barrier. Established recyclers with advanced technology and R&D capabilities dominate niche markets with high-value products like recycled polymers and metals. This specialization gives them an advantage, making it hard for new players to compete effectively. Some of the points are as follows:

- *Advanced Technology Requirements:* Developing value-added recycled products requires advanced technology and specialized machinery for refining and processing raw materials. The substantial investment in acquiring and maintaining this equipment poses a significant challenge for new entrants. Banyan Nation, a Hyderabad-based recycler, exemplifies this with its use of cutting-edge technology to create near-virgin grade recycled plastic, catering to leading FMCG companies. This high level of technological sophistication establishes a competitive benchmark, making it difficult for newer companies to match.
- *Investment in R&D*: Developing specialized products in the recycling industry demands substantial investment in research and development (R&D) to innovate and improve processes. Established players often maintain dedicated R&D teams, providing them with a significant edge over newer entrants. For instance, in September 2024, an Indian startup specializing in chemical recycling and sustainability "RecommerceX" secured US$ 3.6 million in seed funding from Accel and Kae Capital. The funding will help the company expand its team, enhance its proprietary technology, and invest in R&D to scale its operations both in India and globally. Such focus on innovation and refinement makes it difficult for smaller recyclers to compete effectively in the market.
- *Skilled Workforce and Expertise*: Specialized recycling operations rely heavily on a skilled workforce to manage complex processes and develop high-quality value-added products. Technical expertise is essential

for ensuring efficiency and innovation in recycling methods. For new entrants, recruiting and retaining such talent poses a significant challenge, limiting their ability to compete effectively.

- For instance, Welspun India integrates recycled materials into its textile production by utilizing a highly trained workforce and advanced technical knowledge, enabling the creation of products that meet global standards.
- *Market Positioning of Established Players:* Established recyclers producing specialized products hold a strong position in industries such as automotive, construction, and packaging. Their ability to meet specific quality standards and requirements enables them to form long-term partnerships with OEMs and large-scale buyers. These relationships enhance their market dominance and secure consistent demand for their products, creating significant barriers for new players attempting to enter and compete in the same space.
- *Government Regulations and Compliance:* The recycling industry in India operates under strict regulatory standards, especially for value-added products tailored to specific uses. Navigating these regulations and securing necessary certifications pose significant challenges for new entrants, as the process is often costly and time-intensive. Established companies, already compliant with these standards, have a competitive advantage, enabling them to streamline operations and reduce time to market, thereby reinforcing their market dominance and creating barriers for potential competitors.

Others

Following are some points which are counted as entry barriers in recycling industry:

- *Market Demand and Awareness:* Limited awareness about the benefits of recycled products in India creates a barrier for new recycling companies. Consumers and industries often question the quality of recycled materials and prefer virgin alternatives, especially when price differences are small. This lack of demand for recycled plastic and other materials limits their adoption despite the environmental advantages.
- *Logistics and Transportation:* The high cost of recycling logistics in India acts as a significant barrier for new entrants. Fragmented supply chains and inadequate infrastructure make waste collection and transportation inefficient, particularly in rural areas. High transportation costs from tier-2 cities to metropolitan recycling hubs increase operational expenses, making it difficult for new recyclers to compete.
- *Lack of Public Infrastructure:* The underdeveloped municipal waste management systems in India pose a challenge to new recycling businesses. Inadequate waste collection and lack of segregation at the source result in poor-quality raw materials. While some cities have made progress, like Mumbai's automated sorting facilities, many rural areas lack such infrastructure, limiting recyclable material availability and hindering industry growth.
- *Limited Access to Finance:* Difficulty in securing funding is a major barrier for new recycling startups in India. High perceived risks and steep interest rates make banks reluctant to invest in these ventures. Established players like Welspun India have better access to financial resources, while smaller recyclers rely on inconsistent external funding, which makes it challenging for them to scale operations.
- *Price Sensitivity and Market Volatility:* New recycling companies in India face challenges due to fluctuating raw material prices and market volatility. The availability of subsidized virgin materials makes it harder for recycled products to remain competitive in terms of cost. For instance, metal recyclers struggle against cheaper imports of virgin metals, reducing their market competitiveness and deterring new entrants from entering the market.

Metal Recycling Barrier

In India, there are various barriers which negatively impacts on the metal recycling practices in India. These include insufficiency in metal recycling related infrastructure, challenges imposed by strict regulations, dominance of informal sector, limited finances and awareness amid consumers, among others.

Metal Recycling: The metal recycling market in India faces significant challenges, including high investment costs, complex regulations, and technological demands. Limited access to organized scrap networks and competition from virgin metals further hinder new players. These barriers make it difficult for small businesses to establish themselves and sustain operations effectively. Some of the barriers are as follows:

- *Inadequate Infrastructure:* Many areas in India lack the necessary infrastructure for efficient metal recycling, including proper collection, sorting, and processing facilities. This leads to lower recycling rates and higher reliance on informal recycling sectors, which may not follow environmental or safety standards.
- *Informal Sector Dominance:* A significant portion of metal recycling in India is carried out by informal workers who often use outdated methods, which can be inefficient and environmentally harmful. This makes it difficult for formal companies to operate efficiently and meet regulatory standards.

- *Regulatory Challenges:* While the Indian government has introduced several regulations for waste management, including metal recycling, compliance can be challenging for smaller firms due to complex, evolving rules. Navigating these regulations, securing necessary permits, and meeting environmental standards can be time-consuming and resource-intensive.
- *High Collection Costs:* Collecting metal scrap, especially in rural areas, can be expensive due to inadequate waste management systems and high transportation costs. The lack of efficient supply chains and waste segregation at the source increases the costs of collection and processing.
- *Fluctuating Prices of Scrap Metals:* The market for scrap metal is highly volatile, with fluctuating prices that affect the profitability of recycling operations. This unpredictability makes it challenging for businesses to plan long-term and secure consistent supply.
- *Lack of Awareness and Consumer Participation:* There is limited awareness among consumers and businesses about the benefits of recycling metals and how to segregate waste effectively. This results in a lack of sufficient recyclable materials being made available for formal recycling processes.
- *Technology and Investment Gaps:* Although technology plays a key role in efficient metal recycling, many small players in the Indian market lack the investment and technical expertise to adopt advanced recycling technologies. This limits their ability to increase productivity and environmental sustainability.
- *Environmental and Safety Risks:* Metal recycling processes, especially those involving hazardous metals like lead or mercury, can pose serious environmental and health risks if not handled properly. Ensuring compliance with safety and environmental norms can be an additional burden for recycling businesses.
- *Limited Access to Finance:* Smaller metal recycling companies often struggle to access funding due to high perceived risks and limited financial support from banks or investors. This lack of capital prevents them from upgrading equipment or expanding operations to meet demand and regulatory requirements.

Plastic Recycling Barrier

Over the years, plastic recycling gained huge traction in India. However, the industry faces few limitations which hampers it proper exploration. Such as, inadequate collection and segregation systems, dependence on advanced technology for sorting, lack of awareness, fluctuation in demand and pricing, regulatory challenges, lack of financial support, improper standardization and mixed plastic wastes.

Plastic Recycling: India's plastic recycling industry encounters several obstacles, such as a fragmented supply chain and low consumer awareness. Advanced sorting technologies and stringent regulations add to the complexity. Price competition from virgin plastics driven by crude oil rates further complicates market entry, making it challenging for new players to thrive. Some of the barriers are as follows:

- *Inadequate Collection and Segregation Systems:* A major barrier for a new entrant in plastic recycling is the lack of efficient waste collection and segregation systems, especially in informal sectors. Plastic waste is often mixed with other types of waste, making it difficult to process and recycle, and inconsistent waste segregation at the source complicates the recycling process.
- *Low Consumer Awareness:* Many people do not segregate plastic waste. Environmental awareness is still low. Companies like Goonj invest years in community education. New businesses need large budgets for awareness campaigns. This raises their initial costs significantly.
- *Dependency on Advanced Sorting Technologies:* Recycling different plastics needs advanced sorting machines. PET, HDPE, and LDPE require precision systems. Companies like Reliance Industries use automated equipment. These technologies are costly for small players to afford.
- *Fluctuating Demand and Pricing:* Recycled plastic faces competition from virgin plastic, whose prices are tied to crude oil costs. For instance, during periods of low oil prices, virgin plastic becomes more affordable, making it difficult for startups to compete.
- *Complex and Mixed Plastics:* Plastics come in various types, and not all are recyclable or compatible with existing technologies. Mixed plastics, especially multi-layered packaging, pose a significant challenge in terms of recycling. Recycling technologies are not always suited to handle the wide variety of plastics generated.
- *Lack of Standardization:* There is a lack of standardization in plastic products and packaging, making it harder to establish efficient recycling processes. Different grades of plastic and complex multi-material packaging increase the complexity of recycling operations.
- *Insufficient Financial Support and Investment:* Many plastic recycling companies, especially small or startup businesses, struggle to access financing due to perceived risks and a lack of supportive policies. Without investment in better technologies and facilities, it is challenging to improve recycling rates.

- *Regulatory and Policy Challenges:* While India has introduced policies like the Plastic Waste Management Rules (PWMR), there are challenges in enforcement and compliance. The rules are often difficult to navigate, especially for small businesses, and there is insufficient monitoring of compliance.

Government Policies and Regulations

Battery Waste Management Rules

Battery Waste Management Rules: The Battery Waste Management Rules, 2022, introduced by the Ministry of Environment, Forest and Climate Change under the Environment (Protection) Act, 1986, replaced the 2001 rules. These regulations were amended in 2023 and 2024 to enhance the environmentally sound management of waste batteries, ensuring compliance with updated sustainability standards.

- *Need for Battery Waste Management:* The following pointers of the necessity of battery waste management:
  - <u>Growth in Battery Use:</u> The increasing adoption of electronics, EVs, and renewable energy systems has significantly boosted battery demand, resulting in higher battery waste. Global battery demand is projected to rise from 933 GWh in 2021 to 5,100 GWh by 2030.
  - <u>Informal Recycling Practices:</u> Over 90% of used Lead Acid Batteries are recycled by informal sectors, often without adhering to environmental norms, causing severe lead pollution.
  - <u>Environmental Protection:</u> Toxic substances like lead, cadmium, mercury, and lithium in batteries can contaminate soil and water if disposed of improperly.
  - <u>Promotion of Circular Economy:</u> Recycling and reusing batteries help minimize the environmental impact, conserve resources, and support a sustainable economic model.
  - <u>Human Health Concerns:</u> Hazardous chemicals from improperly handled batteries can lead to serious health issues, including respiratory problems, kidney failure, neurological damage, and reproductive disorders.
  - Material with Recycled Products Infusion: Certain products in India are mandated to use recycled products in order to promote recycling and reused products within the country. For instance, The Government of India introduced the Recycled Plastics Manufacture and Usage Rules in 1999, requiring manufacturers to use at least 25% recycled plastic in products like carry bags, containers, and packaging films. They must also obtain a registration certificate from the Central Pollution Control Board (CPCB) to produce these products. Similarly, India uses approximately 30 million tonnes (MT) of recycled steel across various sectors, including construction, automobiles, and infrastructure. In the steel sector, about 25% of the input material is derived from steel scrap. In case of recycled rubber, recycled rubber makes up 30% to 70% in mats, floor liners, and soundproofing materials in the automotive sector, while it accounts for 10% to 30% in new tires, particularly in retreading. In construction, recycled rubber is used in rubberized asphalt (15% to 20%) and flooring tiles or pavers (up to 50%). For consumer products, recycled rubber content ranges from 20% to 50% in footwear and 30% to 100% in playground surfaces. In sports equipment, gym mats and flooring often contain 50% to 100% recycled rubber. The exact percentage varies based on the manufacturer and product specifications.

- *Key Provisions of the Battery Waste Management Rules, 2022:* The following are the key provisions of the Battery Waste Management Rules, 2022:
  - <u>Extended Producer Responsibility (EPR):</u> EPR mandates that producers, including importers, take responsibility for the lifecycle of the batteries they introduce into the market. This includes collection, recycling, or refurbishment of waste batteries and the use of recovered materials in the production of new batteries. These provision ensures accountability and promotes a circular economy. It encourages producers to design batteries that are easier to recycle, reducing environmental impact and resource dependency.
  - <u>Centralized Online Portal:</u> A centralized digital platform enables the exchange of EPR certificates between producers and recyclers or refurbishers, enhancing transparency and simplifying compliance tracking. It provides real-time monitoring of EPR target progress, ensuring efficient battery waste management. The portal also streamlines reporting, reducing administrative burden while ensuring accountability for all stakeholders.
  - <u>Mandatory Recovery:</u> The regulation establish minimum recovery percentages for materials from waste batteries, setting clear targets for the recycling industry. This provision ensures that critical raw materials like lithium, cobalt, and nickel are efficiently recovered and reused, minimizing the need for virgin resources. By setting these benchmarks, the rules drive innovation in recycling technologies and promote sustainable resource utilization.

- <u>Polluter Pays Principle:</u> Under this principle, producers failing to meet EPR targets are liable to pay environmental compensation. The compensation acts as a deterrent against non-compliance while generating funds to manage uncollected and non-recycled waste batteries. This approach ensures that environmental costs are borne by those contributing to pollution, fostering greater responsibility among producers.
- <u>Utilization of Collected Funds:</u> The funds collected as environmental compensation are directed toward the collection, refurbishing, or recycling of uncollected and non-recycled waste batteries. This provision ensures that even waste left unmanaged by producers is addressed, reducing environmental hazards. It also supports the development of recycling infrastructure, aiding the transition toward sustainable waste management practices.

- New Environment Compensations Guidelines: The Battery Waste Management Rules, 2022 emphasize the role of the CPCB in ensuring environmental responsibility and sustainability in the life cycle of batteries. The introduction of Environmental Compensation serves as a deterrent and enforcement mechanism to ensure that stakeholders fulfill their obligations for collection, recycling, and reporting, thereby minimizing the harmful effects of battery waste on the environment. The key provisions are the Environmental Compensation (EC) mechanism for non-compliance with the prescribed regulations. Here are the main pointers from the Battery Waste Management Rules, 2022, focusing on the Environmental Compensation aspect:

Rule	Provision
4 (11)	Producer shall file annual returns in Form 3 regarding the Waste Battery collected and recycled or refurbished towards fulfilling obligations under Extended Producer Responsibility with the Central Pollution Control Board and concerned State Pollution Control Board in Form 3 by 30th June of the next financial year. The details of the registered recyclers from whom the Extended Producer Responsibility certificates have been procured shall also be provided.
Rule 4 (12)	It shall be the responsibility of a Producer to, – (i) adhere to prohibitions and labelling requirements as prescribed in Schedule I;
4 (15)	Producer shall not deal with any other entity not having registration mandated under these rules
8 (3)	Refurbishers shall furnish quarterly returns in Form 4 regarding the information on quantity of used Battery collected or received from various producers or entities, refurbished quantities, quantity of hazardous and/or other waste including solid waste or plastic waste generated after refurbishment and disposal of such quantity as per extant rules and the quarterly return shall be filed by the end of the month succeeding the end of the quarter.
8 (5)	Refurbisher shall not deal with any other entity not having registration mandated under these rules
9 (3)	Recyclers shall furnish the quarterly returns in Form 4 regarding the information on quantity of Waste Battery collected or received from various producers or entity, recycled quantities, compliance of material wise recovery percentage as per recovery targets provided under subrule 4 of rule 10, quantity of hazardous and/or other waste including solid waste or plastic waste generated after recycling and of such quantity as per as per extant rules and the quarterly return shall be filed by the end of the month succeeding the end of the quarter.
9 (5)	Recycler shall not deal with any other entity not having registration mandated under these rules.
11 (11) (12)	(11) Central Pollution Control Board shall carry out audit of data, including using information from Goods and Services Tax Network portal, by itself or a designated agency, of the registered entity under these rules. (12) Central Pollution Control Board shall suspend and/or cancel the registration of Producer, and/or impose Environmental Compensation in case of violation of these rules by the registered entity.
13 (1) (i)	Environmental Compensation shall also be levied for the following activities based on polluter pays principle, – i. entities carrying out activities without registration as mandated under these rules;

13 (1) (ii)	Environmental Compensation shall also be levied for the following activities based on polluter pays principle, – ii. providing false information / wilful concealment of material facts by the entities registered under these rules;
13 (1) (iii)	Environmental Compensation shall also be levied for the following activities based on polluter pays principle, – iii. submission of forged/manipulated documents by the entities registered under these rules;
13 (1) (iv)	Environmental Compensation shall also be levied for the following activities based on polluter pays principle, – iv. entities engaged in collection, segregation, and treatment in respect to not following sound handling of Waste Battery.
13 (4)	Environmental Compensation shall be levied by Central Pollution Control Board on Producer operating with respect to non-fulfilment of their Extended Producer Responsibility targets, responsibilities and obligations set out in Schedule II of these rules.
13 (5)	Environmental Compensation shall be levied by respective State Pollution Control Board on entities involved in refurbishment or recycling of Waste Battery as well as entities involved in collection, segregation and treatment, operating in their jurisdiction with respect to non-fulfilment of their responsibilities and obligations set out under these rules.

Guidelines for Calculation of Environmental Compensation (EC)
Environmental Compensation (EC) for Producers, Recyclers, and Refurbishers is divided into two regimes:

1. EC Regime 1: EC is imposed on Producers for failure to meet metal specific EPR targets. It is calculated separately for two types of batteries:
   - Lead Acid Batteries
   - Lithium-ion and Other Batteries

The calculation includes costs for handling, collection, transportation, and processing of waste batteries. Detailed calculations are outlined in Section 5.1 of the Guidelines.

2. EC Regime 2: EC applies to any entity (Producers, Recyclers, or Refurbishers) for non-compliance with the Battery Waste Management Rules, 2022:
   - 1st default: EC equals the application fee for registration under the rules (Rs. 20,000).
   - 2nd default: EC is double the first default (Rs. 40,000).
   - 3rd default: EC is double the second default (Rs. 80,000).

The EC in this regime increases by 10% annually.

Action to be taken for non-compliance of BWM Rules:

Rule	Provision	Violator	Violation	Environmental Compensation to be levied
4 (11)	Producer shall file annual returns in Form 3 regarding the Waste Battery collected and recycled or refurbished towards fulfilling obligations under Extended Producer Responsibility with the Central Pollution Control Board and concerned State Pollution Control Board in Form 3 by 30th June of the next financial year. The details of the registered recyclers from whom the Extended	Producer	Non-submission of Annual Returns	EC regime 2

	Producer Producer Responsibility certificates have been procured shall also be provided.			
4 (12)	It shall be the responsibility of a Producer to, – (i) adhere to prohibitions and labelling requirements as prescribed in Schedule I;	Producer	Not following labelling requirements	EC regime 2
4(15)	Producer shall not deal with any other entity not having registration mandated under these rules	Producer	Engaging with entities not registered on the portal	EC regime 2
8(3) & 9(3)	Recycler/Refurbishers shall furnish quarterly returns in Form 4 regarding the information on quantity of used Battery collected or received from various producers or entities, refurbished quantities, quantity of hazardous and/or other waste including solid waste or plastic waste generated after refurbishment and disposal of such quantity as per extant rules and the quarterly return shall be filed by the end of the month succeeding the end of the quarter	Recycler / Refurbishers	Non-submission of quarterly returns	EC regime 2
8(5) & 9(5)	Refurbisher shall not deal with any other entity not having registration mandated under these rules	Recycler / Refurbisher	Engaging with entities not registered on the portal	EC regime 2
11 (11)	Central Pollution Control Board shall carry out audit of data, including using information from Goods and Services Tax Network portal, by itself or a designated agency, of the registered entity under these rules. Central Pollution Control Board shall suspend and/or cancel the registration of Producer, and/or impose Environmental Compensation in case of violation of these rules by the registered entity.	Producer, Recycler, and Refurbisher	Noncompliance found in third party audit	(i) EC regime 2 and (ii) action as per E(P) Act, 1986
13 (1)	Environmental Compensation shall also be levied for the following activities based on polluter pays principle, – i. entities carrying out activities without registration as mandated under these rules; ii. providing false information / wilful concealment of material	1.Producer, 2.Recycler, 3.Refurbisher 4.Entities engaged in collection, segregation	False reporting / not registered on the Portal / improper handling of battery waste	(i) EC regime 2 and (ii) Action as per provisions of section 15 of the Environment (Protection) Act, 1986

	facts by the entities registered under these rules; iii. submission of forged/manipulated documents by the entities registered under these rules; iv. Entities engaged in collection, segregation, and treatment in respect to not following sound handling of Waste Battery.			(iii) Action (increase in EC amount, cancellation of registration, etc.,) as deemed necessary by the Competent Authority, CPCB
13 (4)	Environmental Compensation shall be levied by Central Pollution Control Board on Producer operating with respect to nonfulfilment of their Extended Producer Responsibility targets, responsibilities and obligations set out in Schedule II of these rules.	Producer	Non-fulfilment of Targets	Based on EC regime 1
13 (5)	Environmental Compensation shall be levied by respective State Pollution Control Board on entities involved in refurbishment or recycling of Waste Battery as well as entities involved in collection, segregation and treatment, operating in their jurisdiction with respect to non-fulfilment of their responsibilities and obligations set out under these rules	Recycler and Refurbisher	Non-fulfilment of the responsibilities laid out in the Rules	i. Based on EC regime 2 ii. Action (increase in EC amount, cancellation of registration, etc.,) as deemed necessary by the Competent Authority, CPCB iii. Penalty as per Section 15 of EPA 1986

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- 2nd default: EC is double the first default (Rs. 40,000).
- 3rd default: EC is double the second default (Rs. 80,000).

The EC in this regime increases by 10% annually.

Action to be taken for non-compliance of BWM Rules:

The Environmental Compensation (EC) and financial penalty amounts must be deposited according to the following timelines:
1. Within one month from the stipulated deadline as directed by CPCB/SPCB/PCC: The original amount with an interest of 12% per annum for the number of days delayed beyond the stipulated deadline.
2. After one month but within three months of the stipulated deadline: The original amount with an interest of 24% per annum for the number of days delayed beyond the first month.

3. After three months: Actions include closure of the unit/facility, seizure of trade documents, and further actions as per Section 15(1) of the Environmental Protection Act (EPA).

In addition, some *Key changes introduced by the New Rules, 2024:*

Particulars	Battery Waste Management Rules, 2022	Battery Waste Management (Amendment) Rules, 2024
Provision of Certificate for Waste Battery	As per 2022 rules, Extended Producer Responsibility (EPR) certificates will be generated by Central Pollution Control Board (CPCB) through the centralised online portal based on the recycled or refurbished quantities and assigned to recyclers or refurbishes. They can sell the assigned EPR certificates to Producer in exchange of waste batteries.	The CPCB shall fix the highest and the lowest price for EPR certificates. It shall be equal to 100% and 30%, respectively of the environmental compensation leviable on the obligated entities for non-fulfilment of EPR obligations. The exchange price of EPR certificate between registered entities through the portal shall be between the highest and the lowest prices.
Action on violations and imposition of Environmental Compensation	Committee for Implementation constituted by Central Pollution Control Board (CPCB) shall prepare and recommend guidelines for imposition and collection of Environmental Compensation from producers and entities involved in recycling of waste battery, for non-compliance of rules. The recommended guidelines shall be submitted to Ministry of Environment, Forest and Climate Change.	Now, The CPCB will prepare and recommend these guidelines. The CPCB may consult the Committee for Implementation for the same. The recommended guidelines shall be submitted to the Ministry.

Extended Producer Responsibility (EPR)

- **What is Extended Producer Responsibility (EPR)?** Extended Producer Responsibility (EPR) is a policy approach that holds producers, importers, and brand owners accountable for managing waste generated by their products after consumer use. This strategy recognizes the significant role manufacturers play in determining a product's lifecycle impact through their choices in design, packaging, and materials. By assigning responsibility to those who influence these factors, EPR aims to encourage more sustainable production practices and efficient waste management systems.
  - *Implementation of Extended Producer Responsibility (EPR):* Extended Producer Responsibility (EPR) promotes sustainability by making companies accountable for managing the waste generated by their products. It encourages the development of efficient collection systems, advanced recycling technologies, and public awareness campaigns, which reduce landfill waste, conserve natural resources, and minimize pollution. By supporting a circular economy, EPR prioritizes the use of recycled materials and extends the life of products. Companies that adopt EPR demonstrate their commitment to environmental stewardship, enhancing their brand reputation and gaining a competitive advantage in sustainability-focused markets. This approach is essential for achieving environmental objectives, aligning with global sustainability trends, and creating a greener, more responsible future.
  - *EPR Registration:* The initial step for producers, importers, and brand owners to comply with Extended Producer Responsibility (EPR) laws is to obtain EPR registration. This process requires companies to register with the designated regulatory authorities before manufacturing or importing regulated products. During registration, they must disclose details about their products, projected waste generation, and proposed waste management plans. Registration ensures accountability by enabling the government to

monitor compliance with EPR regulations. By formalizing this process, authorities can enforce waste management standards effectively, promoting environmental responsibility across industries while streamlining oversight of producers and importers operating within the regulated framework.

- *EPR Compliance:* It is vital for ethical waste management, requiring firms to establish collection systems, recycling facilities, and eco-friendly disposal methods. Compliance mandates achieving recycling targets and regularly reporting waste management activities to regulators. Non-compliance risks penalties and legal consequences. Companies must emphasize sustainability, conserve resources, and adopt circular economy principles to meet EPR standards effectively. By aligning with these practices, businesses contribute to environmental preservation and ensure responsible management of post-consumer waste, fostering long-term ecological balance.
- *EPR fulfilment:* This phase involves executing waste management plans through investments in efficient collection, transportation, and recycling infrastructure. Collaborating with Producer Responsibility Organizations (PROs) streamlines this process, as they specialize in managing waste for producers. Key elements include enhancing recyclability, conducting customer awareness campaigns, and adopting sustainable product designs. Technology, such as IoT-enabled smart bins and waste management software, optimizes waste collection and compliance. By fulfilling their EPR obligations diligently, businesses contribute to environmental sustainability and drive progress toward a greener, more sustainable future.
- *EPR Guidelines:* Extended Producer Responsibility (EPR) guidelines specify the obligations and conditions that producers, importers, and brand owners must meet to comply with EPR laws. In recognition of the variety of products and their effects on the environment, these guidelines are adjusted to various product categories and waste streams which are as follows:
  - Plastic EPR guidelines: It mandates producers to manage plastic waste responsibly by establishing collection mechanisms or collaborating with PROs and waste management organizations. Financial contributions to PROs support infrastructure, recycling initiatives, and awareness programs. Producers must report compliance, detailing the collection, recycling, and disposal of plastic waste. These measures aim to mitigate plastic's environmental impact and promote a circular economy through effective waste management and recycling practices.
  - E-Waste EPR guidelines: E-Waste Management Rules require producers to establish or support collection facilities for directing e-waste to authorized recyclers. They must develop an EPR plan detailing strategies for e-waste collection, transportation, recycling, and awareness initiatives, which must be submitted to regulatory bodies. Producers are also mandated to obtain authorization from the State Pollution Control Board (SPCB) and ensure compliance with eco-friendly recycling practices, maintaining proper records to demonstrate adherence to the guidelines.
  - Tyre Waste EPR guidelines: EPR for tyre waste mandates producers and importers to manage waste tyres responsibly through collection and recycling facilities. They must register with authorities, submit quarterly reports on tyre production, imports, and EPR certificate purchases, and ensure eco-friendly recycling methods like retreading or material recovery. In addition, recyclers must report recycled material data and EPR certificates. These measures aim to mitigate environmental risks and promote sustainable tyre waste management practices.
  - Battery Waste EPR guidelines: EPR for battery waste mandates producers to establish collection systems for used batteries and ensure their safe recycling or disposal. Producers must submit an EPR plan detailing strategies for collection, recycling, and awareness campaigns. They are also required to meet specified recycling targets and set up collection centers or collaborate with authorized recyclers. Consumer education initiatives are essential to promote proper disposal and highlight the environmental benefits of battery recycling.

The Steel Scrap Recycling Policy

- **The Steel Scrap Recycling Policy:** In India, the National Steel Policy 2017 (NSP-2017) was introduced with an envision of creating an internationally competitive steel economy by 2030, with 35-40% of steel production coming from the Electric Arc Furnace (EAF) or Induction Furnace (IF) route. Complementing this, the Steel Scrap Recycling Policy by the Ministry of Steel focuses on enhancing scrap classification, collection, treatment, and recycling to ensure a consistent and reliable supply of processed scrap for the industry. This strategy establishes a scientific framework for managing scrap sourced from diverse sectors, including mill scrap, structural items like beams and reinforced steel, machinery, equipment, obsolete vehicles, household appliances, shipbuilding, railways, and more. According to the policy, using one tonne of scrap in steel production conserves 1.1 tonnes of iron ore, 630 kg of coking coal, and 55 kg of limestone. Additionally, it reduces energy consumption by 16-17%, water usage by 40%, and greenhouse gas emissions by 58%. By promoting efficient scrap utilization, the policy strengthens NSP-2017's goals, advancing sustainability and resource conservation within the steel sector.

- *Objectives of the Steel Scrap Recycling Policy:* It fosters sustainable practices by holding companies accountable for managing their product waste.
  - Promote Circular Economy: Foster a circular economy within the steel sector by encouraging the efficient reuse and recycling of scrap materials.
  - Streamline Collection and Processing: Establish formal and systematic methods for the collection, dismantling, and treatment of end-of-life commodities, ensuring efficient recovery of ferrous, non-ferrous, and other recyclable scrap metals.
  - Support Resource Recovery and Energy Savings: Facilitate the recovery of valuable resources and reduce energy consumption through an eco-friendly scrap processing system.
  - Build a Responsive Ecosystem: Engage all stakeholders, including producers, dismantlers, and recyclers, to create a dynamic and responsive ecosystem for scrap management.
  - Enhance Domestic Scrap Utilization: Produce high-quality iron scrap for manufacturing superior steel, thereby reducing dependency on imported raw materials and promoting self-reliance.
- *Working Model:* Over the last two decades, increasing vehicle production and the growing use of consumer durables have led to significant volumes of end-of-life items, generating a steady supply of ferrous scrap metal for steel manufacturing. To address collection challenges, a center-and-spoke model is proposed to regulate the informal recycling sector on ecological and scientific grounds. Scrap plants, affiliated with collection and dismantling centers, will process depolluted materials and forward them to designated facilities. Logistics facilities aligned with the National Logistic Policy will ensure efficient transport, prevent pilferage, and support containerized transit. Eco-parks near transport hubs will boost economic activity and job creation.
- *Guidelines:* The following are the guidelines that should be kept in mind for steel scrap policy:
  - Dismantling facilities must be large enough to accommodate scrap handling, vehicular movement, and storage of recyclable materials.
  - The facility should have a gated area for safe depollution and dismantling of ELVs, white goods, and scraps, with radiation monitoring and minimal human intervention.
  - Centers must follow OHSAS guidelines and employ trained staff to ensure safe operation of end-of-life goods processing.
  - Collection centers should have dry, impermeable surfaces, concrete flooring, roads, and in-house maintenance facilities, along with fire protection to maintain safety and control pollution.
  - Facilities must have a depollution system, preferably zero discharge, and comply with MoEF&CC and environmental regulations, including hazardous waste management rules.
  - Fluids such as fuel, oil, and antifreeze must be fully drained and disposed of through authorized centers.
  - Centers must store batteries, filters, PCBs, tyres, etc., as per environmental and hazardous waste guidelines.
  - A Certificate of Destruction (COD) or proof of scrappage must be issued, and records should be maintained and available for inspection. Data on scrapped vehicles and materials must be uploaded to a digital platform as per ministry guidelines..
- *Responsibilities of Dismantling & Scrap Processing Centers (SCs):* In addition the scrap processing centres should adhere to the following roles in addition to the guidelines issued from time to time by MoEF&CC:
  - Centres must comply with Factory and Industrial norms set by relevant authorities.
  - Continuous training and evaluation are required for staff to handle ELVs, white goods, and scraps safely.
  - Centres must adhere to technical, statutory, and quality norms for scrap handling, in line with MoEF&CC guidelines.
  - Centres must verify vehicle credentials through the Vahan Database, following Ministry of Road Transport guidelines.
  - Engine parts from ELVs should be defaced or drilled to prevent reuse in the secondary market.
  - Centres may develop facilities to segregate and analyze scrap for quality, benefiting downstream industries.
  - Vintage vehicles, unless mandated by the government, are excluded from scrapping guidelines.
  - Obsolete spare parts should follow CPCB's guidelines for environmentally sound management.
  - Scrapping centres may seek RIOS certification to ensure continual improvement in quality, environmental, and safety performance.
- *Impact of the Steel Scrap Recycling Policy:* The Steel Scrap Recycling Policy has a positive impact on daily life by promoting resource conservation and energy efficiency. Recycling one ton of scrap saves

1.1 tons of iron ore, 630 kg of coking coal, and 55 kg of limestone. Energy consumption is significantly reduced, with specific energy usage dropping from approximately 14 MJ/kg in the BF/BOF route to less than 11 MJ/kg in the EAF/IF route, achieving 16-17% energy savings. This policy not only conserves natural resources but also reduces environmental strain, making steel production more sustainable and cost-effective.

Others

Following are some more policies and regulations which are considered important in recycling industry:

- *Plastic Waste Management Rules (PWMR):* The Plastic Waste Management Rules, first introduced in 2016 and revised in 2022, aim to regulate the generation, handling, and disposal of plastic waste in India to mitigate environmental harm. These rules emphasize the Extended Producer Responsibility (EPR) framework, making producers, importers, and brand owners accountable for collecting and recycling their plastic products. By mandating the phasing out of single-use plastics and ensuring proper segregation and recycling at the source, the rules aim to reduce plastic pollution. Guidelines under PWMR include setting up collection systems, promoting biodegradable alternatives, and involving local bodies to manage waste efficiently.
- *E-Waste (Management) Rules (EWMR)*: The E-Waste Management Rules govern the proper disposal, recycling, and reduction of electronic waste, addressing the growing problem of discarded electronic devices. These rules are crucial to preventing hazardous substances like lead and mercury from polluting the environment. Under the EPR model, manufacturers are required to establish collection systems and ensure that 70% of e-waste generated is processed responsibly.
- *Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (for Waste Tyre)*: This amendment focuses on managing waste tyres to promote sustainable recycling and reduce environmental risks. The rules define responsibilities for generators, recyclers, and importers, requiring them to ensure eco-friendly disposal and processing. Waste tyres can no longer be sent for landfill or open burning, and advanced pyrolysis technology is encouraged for recycling.

Key Technological Trends and Advancements

- **Technological Advancements in Recycling Processes:** The rising emphasis on sustainable development goals (SDGs) and shifting customer preferences have significantly fueled the demand for technological advancements. Some of them are as follows:

➢ *Chemical Recycling:* The Indian recycling industry is increasingly adopting chemical recycling methods, which utilize techniques like pyrolysis, gasification, solvolysis, and depolymerization to recover materials without compromising their quality. Unlike traditional mechanical recycling, chemical recycling alters the chemical structure of plastic waste, breaking down long-chain polymers into shorter hydrocarbons or monomers. These outputs serve as high-quality feedstock for manufacturing new plastics and other petrochemical products, effectively replacing virgin raw materials in the supply chain. For instance, in December 2023, Reliance Industries Limited (RIL), operator of the world's largest integrated refining and petrochemical complex, become the first Indian company to chemically recycle plastic waste into ISCC-Plus certified Circular Polymers. This innovation underscores RIL's commitment to reducing plastic waste and promoting the Circular Economy in India. This multi-stage process—spanning conversion, decomposition, and purification—ensures that plastics are transformed into valuable intermediates suitable for various high-value applications, aligning with global sustainability goals.

➢ *Dissolution Recycling:* It is an advanced purification method that selectively dissolves polymers from mixed plastic waste in specific solvents, enabling the separation and recovery of pure polymers without altering their chemical structure. This technique is widely applied to materials like polyvinyl chloride (PVC), polystyrene (PS), nylon (PA), and polypropylene (PP), making it an effective solution for handling multi-material waste. By isolating these polymers, they can be broken down into high-quality monomers and reused to produce new polymers with properties identical to the original materials. This not only enhances recycling efficiency but also reduces environmental reliance on virgin plastic production. Although, currently, Dissolution recycling, that is solvent-based recycling method within the broader advanced recycling sector, shows promise but also faces challenges and criticisms in Indian market.

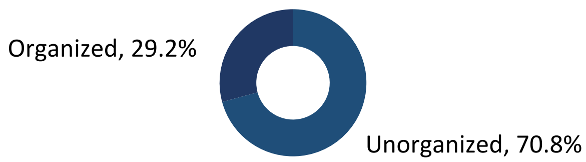
➢ *Organic Recycling: This* is a specialized process involving the controlled microbiological treatment of biodegradable plastic waste. This method operates under aerobic conditions, such as composting, or anaerobic conditions, like bio-gasification. Suitable only for specific polymers, organic recycling relies on microorganisms to break down the material into stabilized organic residues, carbon dioxide, methane, and water. For instance, Sanjeevak Carbonisation Systems (SCS) introduces innovative green technology that converts biomass waste, such as coconut shells, coffee bean shells, and date seeds, into high-quality charcoal. Collected from farms, temples, and processing units, SCS uses efficient, precision-controlled processes to produce eco-friendly charcoal for use in barbecues, fireplaces, and more. By converting biodegradable plastics into these natural byproducts, organic recycling provides an environmentally friendly solution for managing waste, reducing landfill contributions, and supporting sustainable waste practices.

- *Artificial Intelligence:* AI is transforming plastic recycling by automating tasks like material analysis, sorting, and quality control. This reduces contamination in recycling streams while ensuring greater efficiency and safety by limiting human exposure to hazardous waste. Startups are leveraging machine learning and computer vision to identify unique characteristics in mixed waste, streamlining sorting and optimizing recycling operations. For example, Metastable Materials employs AI-powered sorting systems with image recognition efficiently categorize e-waste, boosting material recovery. Coupled with X-ray fluorescence (XRF) technology, AI analyzes the elemental composition of e-waste, improving the extraction of valuable metals like gold, copper, and rare earth elements. In addition, AI also plays a key role in waste logistics, improving route planning and collection schedules to maximize recovery rates and minimize resource wastage. AI-enabled solutions, including smart recycling bins, are making recycling more accessible by automatically identifying the correct disposal method, eliminating confusion, and encouraging higher participation.
- *Internet of Waste:* The Internet of Waste, powered by IoT-enabled systems, is revolutionizing waste management by reducing inefficiencies in recycling logistics. Fill-level sensors and smart bins monitor waste levels in real time, enabling collection facilities to optimize pickup schedules and reduce costs. Startups like India-based Recykal is using cloud-based web and mobile applications to track waste and promote recycling. The technology is designed to track waste as it moves from the trash cans of homes, businesses and municipal authorities to its processing, recycling and reuse. These solutions improve waste management visibility and enhance recycling efficiency for businesses and municipalities.
- *Waste valorization:* It focuses on transforming waste into valuable resources through biological and chemical methods, surpassing conventional recycling by maintaining material quality or creating new products with added value. Startups are innovating with technologies like anaerobic digesters to convert organic waste into biogas, supporting landfill diversion and generating additional revenue. The rising demand for clean energy has also driven interest in waste-to-energy solutions, such as plastic-to-fuel conversions. Companies like Avris Environment Technologies offers modular anaerobic digestion systems like Chugg, enabling food waste treatment on-site for biogas production, reducing energy costs in commercial settings.
- *Green waste management:* It focuses on diverting food waste from landfills to reduce greenhouse gas emissions and recover valuable resources. Startups in this field develop innovative solutions to upcycle organic waste into biofuels, fertilizers, and stabilized organic compounds. For example, India-based Wastelink transforms food waste from manufacturers and retailers into animal feed, offering end-to-end tracking of the process. These initiatives not only lower emissions but also create a circular economy by giving organic waste a second life.
- **Urban Mining and Increased Scrap Collection Initiatives:** The rising emphasis on sustainable development goals (SDGs) and shifting customer preferences have significantly fueled the demand for technological advancements. Some of them are as follows:
- *Urban Mining:* Urban mining reclaims valuable materials from waste streams like e-waste, construction debris, and municipal waste, reducing resource dependency and environmental harm. With billions in recoverable metals and growing global waste, it faces challenges like informal processing but offers solutions through certified recycling, EPR programs, and circular economy initiatives for sustainable resource recovery.
- The Rise of Urban Mining: Urban mining provides a sustainable solution to reclaim valuable materials from waste, decreasing dependency on new resources and mitigating environmental damage. It seeks to create a closed-loop system, enabling continuous reuse and recycling of human-made resources.
- E-Waste (A Treasure): E-waste is a prime focus due to its rich metals like gold, silver, and copper. Improper disposal causes ecosystem contamination and health risks. With e-waste growing globally, sustainable solutions are essential.
- Statistics and Potential: Global e-waste reached 62 million metric tons in 2022, projected to hit 80 million metric tons by 2030. Despite low recycling rates, e-waste contains immense recoverable value, with discarded circuit boards yielding more gold and copper than mined ore, translating into billions annually.
- Challenges and Criticisms: Urban mining faces hurdles like unsafe e-waste processing in informal sectors of developing nations. Exported e-waste exposes marginalized communities to hazardous substances, posing significant health risks.
- Responsible Practices and Solutions: Responsible urban mining demands certified recycling facilities, Extended Producer Responsibility (EPR) programs, and technological advancements to enhance material recovery and minimize environmental damage. Circular economy initiatives are vital for sustainable urban mining.
- **Increased Scrap Collection Initiatives:** Scrap collection initiatives are revolutionizing waste management by recovering valuable materials, reducing landfill reliance, conserving resources, and driving sustainability. Advanced recycling technologies and community efforts foster economic growth and promote a circular economy for environmental preservation. Some of the initiatives are as follows:
- Global: Cisco's Global Scrap Program enables responsible disposal of e-waste from repair vendors, warehouses, and depots. It ensures compliant recycling practices, minimizing environmental harm, while providing an efficient e-scrap pickup process through a dedicated request form.
- Americas: In North America, Extended Producer Responsibility (EPR) laws in several U.S. states ensure manufacturers manage the end-of-life disposal of their products, boosting scrap collection and recycling. Additionally, states like Michigan and California are utilizing Reverse Vending Machines (RVMs), which incentivize consumers to return used beverage containers by offering monetary rewards, encouraging sustainable practices.

- Europe: The Waste Electrical and Electronic Equipment (WEEE) Directive mandates EU-wide collection and recycling of electronic waste, ensuring structured systems. Deposit Return Schemes in countries like Norway and Germany incentivize container recycling, achieving high return rates through refundable consumer deposits.
- Asia-Pacific: Japan's Home Appliance Recycling Law mandates consumers to return specific appliances for recycling, placing responsibility on manufacturers for collection and processing. Singapore's E-Waste Management System ensures regulated collection involving producers, retailers, and consumers for proper disposal.
- Middle East & Africa: South Africa's National Environmental Management Waste Act enforces strict waste management regulations, promoting recycling and reducing environmental impact. Similarly, the UAE enhances waste segregation and recycling initiatives, including scrap metals, fostering sustainable waste management practices regionally.
- **Demand for Sustainable and Low-Carbon Solutions:** The demand for sustainable and low-carbon recycling solutions has surged as industries and governments prioritize reducing carbon footprints and conserving resources. Recycling processes, traditionally energy-intensive, are being transformed with innovative technologies. For instance, closed-loop systems in aluminum recycling now recover 95% of the energy compared to primary production. Real-life examples highlight these advancements; companies like TerraCycle partner with global brands to recycle complex materials like multi-layer plastics, previously deemed non-recyclable. Similarly, the construction sector has embraced low-carbon methods, with organizations repurposing demolition waste into materials for new infrastructure. In Sweden, the government mandates construction firms to recycle at least 70% of demolition waste, showcasing a commitment to sustainability. The electronics industry is also adopting low-carbon recycling processes, with brands like Apple employing robots like "Daisy" to disassemble old devices, reclaiming precious metals and reducing mining impacts. Additionally, urban mining initiatives worldwide, such as Japan's recovery of metals from e-waste for the Tokyo 2020 Olympics medals, exemplify practical, sustainable recycling efforts. These solutions mitigate greenhouse gas emissions, promote energy conservation, and support the circular economy. Despite progress, challenges such as limited infrastructure in developing nations and high costs of new technologies persist. Addressing these issues is vital for widespread adoption of sustainable recycling practices.
- The future of sustainable and low-carbon recycling appears promising, driven by global decarbonization goals and advancements in recycling technologies. Governments are introducing stricter regulations, and private investments in green recycling initiatives are growing. Innovations such as AI-driven sorting systems and chemical recycling methods promise higher efficiency and scalability. These developments, coupled with increased consumer awareness, will accelerate the transition toward a circular economy, ensuring environmental sustainability.
- **Others:** Following are some more technological trends and advancements in recycling industry that can be incorporated worldwide:
- *Recycling Robots:* Recycling robots are revolutionizing the recycling industry by tackling waste contamination and labor shortages. Powered by AI, these robots improve sorting accuracy, increase processing speed, and enhance operational efficiency, reducing costs for material recovery facilities (MRFs). Companies like 2B0 in the U.S. use IoT, robotics, and AI to process mixed waste and generate valuable materials, while UK-based Ursa Robotics develops autonomous waste collection vehicles to streamline waste management and boost recycling efficiency.
- *Material Life Cycle Extension:* Extending the life cycles of materials is key to sustainable resource management. Technologies like closed-loop and chemical recycling reduce reliance on virgin materials, allowing metals and glass to be recycled without quality loss. However, recycling plastics remains challenging. Innovations such as depolymerization and chemical treatments are helping. For example, Agilyx converts mixed plastics into high-quality feedstocks, and Loop Industries transforms PET plastic into virgin-quality material, supporting the circular economy by enhancing recyclability and reducing waste.
- *Big Data & Analytics:* Big data and analytics are transforming the recycling industry by identifying inefficiencies, predicting waste patterns, and enabling tailored services. Many startups like GEPP in Thailand use cloud-based platforms to monitor recycling, calculate emissions, and offer waste reduction training. Similarly, Recyda in Germany helps packaging manufacturers assess recyclability through data analysis, ensuring compliance and improving waste management efficiency. Thus, by leveraging machine learning and digital workflows, these technologies optimize operations, increase transparency, and promote sustainable recycling practices.

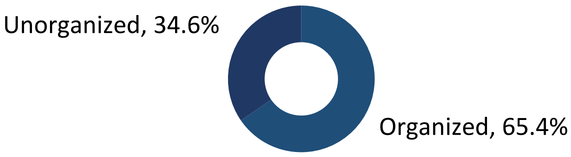
Metal & Plastic Recycling Market–Formal Vs. Informal Sector

India: Lead & Aluminium Recycling Market: Breakup by Organized and Unorganized Sector (in %), 2023



Source: Analyst Reports, Expert Interviews and IMARC Group

India: Plastic Recycling Market: Breakup by Organized and Unorganized Sector (in %), 2023



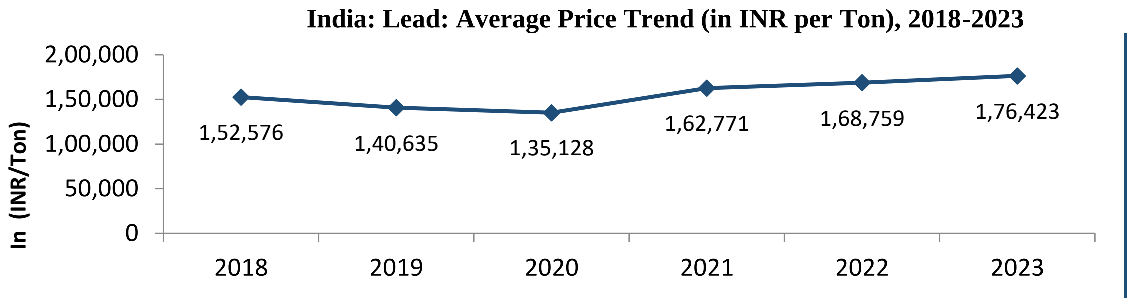
Source: Analyst Reports, Expert Interviews and IMARC Group
Metal & Plastic Recycling Market - Breakup by Organized and Unorganized Sector

- **Metal Recycling:** Metal recycling in India operates through two distinct sectors: organized and unorganized. The organized sector uses advanced technology, complies with regulations, and manages large-scale operations, ensuring high-quality recycling processes. In contrast, the unorganized sector relies on manual methods, addressing localized needs but often operating outside legal frameworks. Despite their differences, both sectors contribute significantly to the industry, and formalizing the unorganized sector could enhance efficiency, sustainability, and overall impact.
- *Formal/organized Sector:* The formal sector in metal recycling includes companies that operate with structured processes, advanced technologies, and strict adherence to regulatory requirements. These businesses focus on large-scale recycling, catering to industries while maintaining high environmental and quality standards. They utilize advanced equipment for shredding, sorting, and smelting metals, ensuring efficient and eco-friendly processes. Compliance with environmental and labor laws is a key priority, supported by strong supply chains and industrial partnerships. For example, Tata Steel Recycling runs a large recycling plant in Haryana, using modern technology to produce high-quality steel sustainably. Similarly, MSTC Limited, a government enterprise, collaborates with scrap generators to facilitate systematic and efficient metal recycling operations. In addition, there are few organized waste collectors who deals with recycling companies. Such as, Madhya Pradesh-based "The Kabadiwala" is a recycling partner to small to big businesses and corporates to institutions with the aim to build a conscious ecosystem on a societal level.
- *Informal/unorganized Sector:* The informal sector in metal recycling consists of small-scale scrap dealers, local recyclers, and informal workers who play a vital role in collecting and segregating scrap. However, this sector operates with limited infrastructure and minimal regulatory oversight. Recycling processes are often manual and outdated, reducing efficiency and quality. Workers face poor working conditions, with inadequate attention to environmental and safety standards. Scrap collection is heavily reliant on informal networks, which lack consistency and structure. For instance, local scrap dealers in Delhi's Mayapuri process large volumes of metal manually, but face regulatory and safety challenges. Similarly, ragpickers and small workshops contribute to metal recovery without formalized processes, resulting in inefficiencies and environmental concerns.

- **Plastic Recycling:** In India, plastic recycling is divided into organized/formal and unorganized/informal sectors. The organized sector follows regulated processes with advanced technology, while the unorganized sector relies on informal practices, often lacking proper infrastructure and environmental controls.
- *Formal/organized Sector:* The organized/formal sector within the India's plastic recycling market consists of large companies and facilities that adhere to regulations and standards for recycling different grade and types of plastics. These companies typically use advanced technology and automated processes to efficiently collect, sort, and recycle plastic waste. Such as, Banyan Nation is a player in India's circular economy for plastics, specializing in FMCG bottle-to-bottle recycling. The company produces traceable, human-safe rPE and rPP resins with consistent technical, color, and odor performance. Banyan has helped numerous top brands switch from virgin plastic to circular recycled plastic, supporting their global sustainability goals and Extended Producer Responsibility (EPR) compliance. In addition, formal players often operate in compliance with government policies like Extended Producer Responsibility (EPR) and focus on producing high-quality recycled plastic products. The organized sector also works closely with local authorities and industry bodies to ensure sustainability, maintain product quality, and minimize environmental impact. Companies in this sector benefit from access to financial resources and government incentives, helping them scale their operations.
- *Informal/unorganized Sector:* The unorganized/informal sector plays a significant role in India's plastic recycling industry, consisting of small-scale recyclers, ragpickers, and local scrap dealers. This sector often operates with minimal regulatory oversight, using rudimentary methods for plastic collection and processing. While the unorganized sector handles a substantial portion of plastic waste, it faces challenges such as low-quality output, inefficient operations, and environmental risks. Workers in this sector typically lack safety measures and access to modern technology, resulting in poor working conditions. Despite these drawbacks, the unorganized sector remains a key player due to its widespread reach and ability to collect large quantities of plastic waste. Overall, the informal recycling sector in urban India has the potential to serve as a key supply chain for collecting large volumes of post-consumer recyclable waste. However, the absence of reliable baseline data and a clear understanding of the roles of various stakeholders in these informal waste networks limits policymakers' ability to effectively harness this resource. This also impedes the development of inclusive strategies to improve community livelihoods, health, and safety.

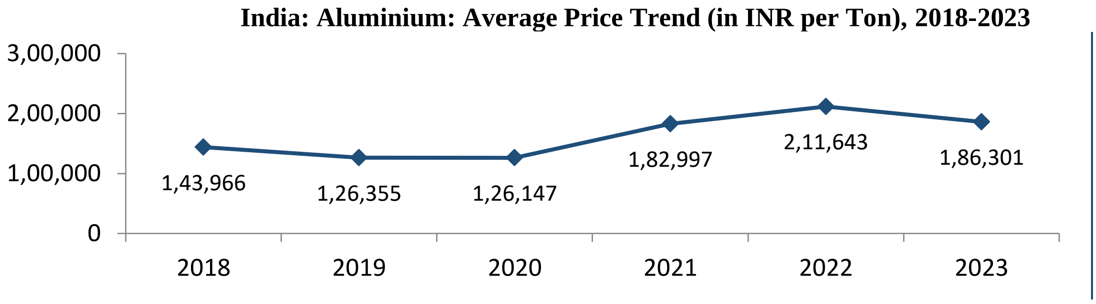
Historical Pricing Analysis (2018-2023)

India Average Lead Price Trend



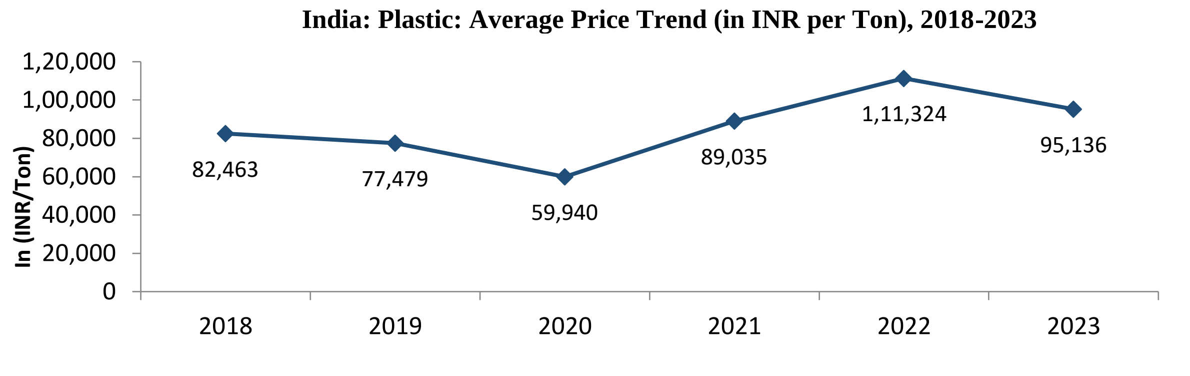
Source: Analyst Reports, Expert Interviews and IMARC Group

India Average Aluminium Price Trend



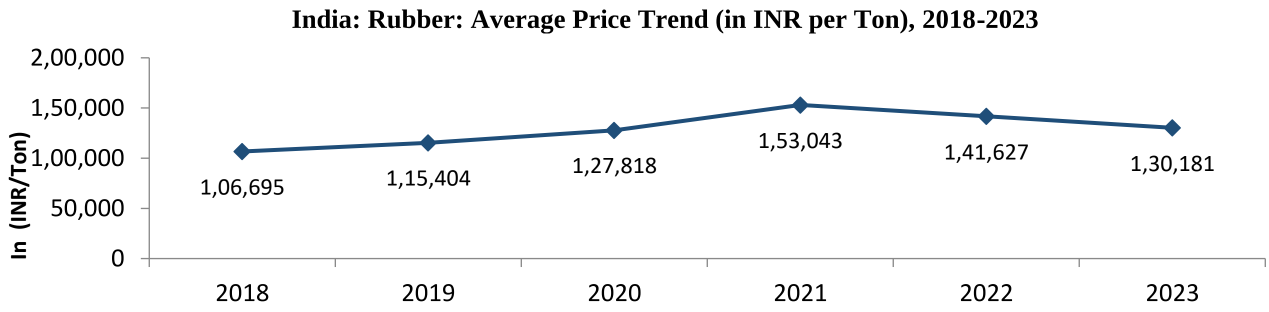
Source: Analyst Reports, Expert Interviews and IMARC Group

India Average Plastic Price Trend



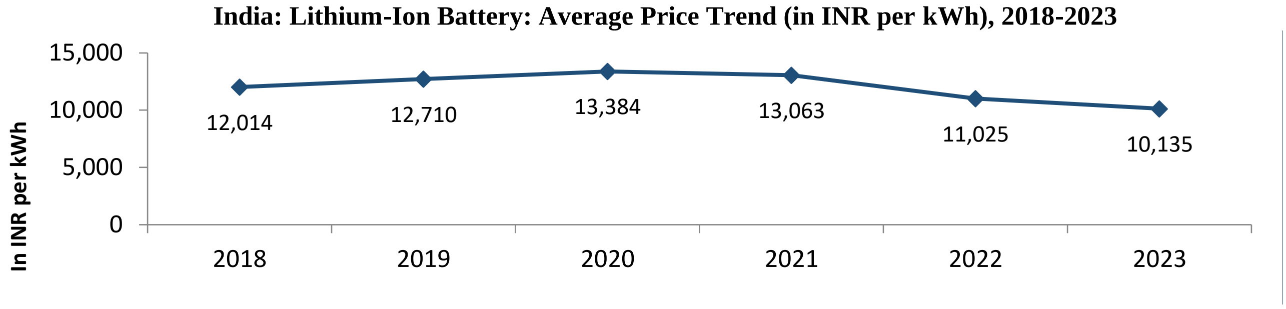
Source: Analyst Reports, Expert Interviews and IMARC Group

India Average Rubber Price Trend



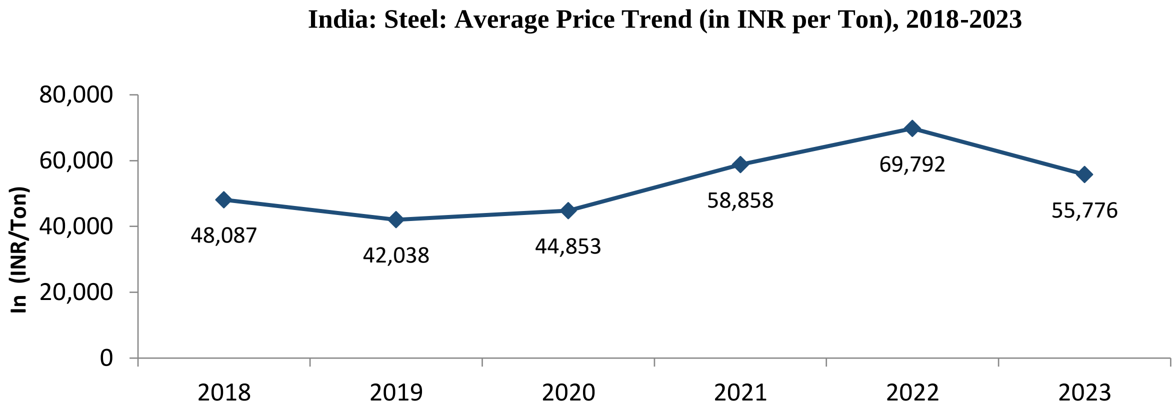
Source: Analyst Reports, Expert Interviews and IMARC Group

India Average Lithium-Ion Battery Price Trend



Source: Analyst Reports, Expert Interviews and IMARC Group

India Average Steel Price Trend



Source: Analyst Reports, Expert Interviews and IMARC Group

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" beginning on page 19 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 48, 304 and 111, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context otherwise requires, the financial information included in this section for Fiscal 2022, 2023 and 2024 has been derived from our Audited Consolidated Financial Statements. The financial information included in this section as of and for the six months ended September 30, 2023 and September 30, 2024 has been derived from our Unaudited Consolidated Financial Results. See, "Financial Information" beginning on page 304. The Unaudited Consolidated Financial Results of our Company are not indicative of our Company's annual performance and are not comparable with the Audited Consolidated Financial Statements. Our fiscal year ends on March 31 of each year. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year.

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Gravita India Limited on a standalone basis, while any reference to "we" or "us" or "our" is a reference to Gravita India Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Global and India Lead, Aluminium and Plastic Recycling Market" dated December, 2024 (the "**IMARC Report**"), prepared and issued by IMARC Services Private Limited. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the IMARC Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain sections of this Placement Document contain information from the IMARC Report which we commissioned and purchased and any reliance on such information for making an investment decision in this Issue is subject to inherent risks." beginning on page 72. Also see, "Industry and Market Data" beginning on page 18.*

Overview

Established in 1992, we are a prominent player in the global recycling industry, specializing in the recycling of lead, aluminium, plastic and rubber along with Turnkey recycling technology solutions, operates multiple recycling plants across - domestically and internationally *(Source IMARC Report)*. We are a leading global non-ferrous secondary metal as well as India's largest secondary lead metal producing company. *(Source IMARC Report)* Over the years, we have endeavoured to set industry standards to promote a green circular economy through innovation, technology and quality in relation to the quality across lead, aluminium, plastic products and turnkey solutions. As on September 30, 2024, we operate across 4 recycling verticals which are, Lead, Aluminium, Plastic and Rubber having 11 recycling plants with over 1,700 global touch points and 31 own scrap yards. In addition to above, we provide turnkey solutions for lead, aluminium, plastic, copper and rubber recycling. Our comprehensive turnkey solutions provide efficient and convenient recycling processes and solutions for recycling lead, aluminium, plastic, copper, and rubber.

We possess specialist expertise in the recycling of used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap *(Source IMARC Report)*. Our extensive product portfolio includes customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, customized aluminium alloys, aluminium ingots, plastic granules, and rubber. Our lead and lead products are used in a wide range of industries, supporting several value-added and specialist applications, primarily in the infrastructure and automobile industries. Other industrial uses of lead in India include its use in automotive batteries, construction, medical equipment, chemicals and in the oil and gas industry. Our aluminium products are mainly used in automotive, beverage cans and consumer electronics industries and our plastic products are mainly used in automotive, furniture, packaging industries amongst other segments. Our operations are spread globally, including, Africa (Ghana, Senegal, Mozambique, Togo and Tanzania) and Asia (India and Sri Lanka). Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas with more than 250,000 MT scrap collection capacity.

Our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications. The following table sets forth the break up of revenue from value added products and % of revenue from operations for the periods indicated:

Value added Products	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Six-month period ended September 30, 2024 (unaudited)**
Lead (₹ in crores)	589.00	825.31	1,125.96	734.45
Aluminium (₹ in crores)	174.00	256.50	204.53	90.34
Plastic (₹ in crores)	131.38	104.50	78.02	39.84
Total (₹ in crores)	894.38	1,186.31	1,408.51	864.63
Value added Products % of revenue from operations	40.36%	42.36%	44.56%	47.11%

We offer comprehensive turnkey solutions for lead battery recycling, leveraging our deep-seated and longstanding experience in the business and in-house Lead battery recycling technology along with other segments such as aluminium, plastic, copper, and rubber. We also offer technical consultancy services for recycling. We have executed more than 70 turnkey projects globally.

Our customer base of more than 325 customers is located in Asia, the Middle East, Europe and the Americas, spanning across 30+ countries. Our domestic operation serves more than 200 customers located in 20 states. We have delivered more than 169,000 MT of recycled products to our diversified global customer network.

We operate through our Five recycling facilities in India, two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir. We have seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo.

We provide a wide range of services including technical consultation for lead acid battery recycling and smelting, advanced PLC based control and monitoring systems, and flexible annual maintenance contracts. With a track record of executing over 70 recycling projects worldwide (Qatar, UAE, Saudi Arabia, Poland and Chile), we have established ourselves as a trusted provider of turnkey solutions. We also offer a comprehensive range of chemicals, consumables, and spare parts essential for lead recycling plants.

We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished products conform to the exact requirement of our customers. As on the date of this Placement Document, certain of our recycling facilities have accreditations such as our two plants at Phagi in Rajasthan and Chittoor in Andhra Pradesh are International Lead Association approved. We are committed to providing quality products to our customers and in this relation hold various quality accreditations including ISO 9001:2015 for quality management system, ISO 14001:2015 for environment management system and ISO 45001:2018 for health and safety management system. We are also affiliated as a member with Federation of Indian Export Organisation, Institute of Scrap Recycling Inc. and Confederation of Indian Industries (CII).

Our Company generated a revenue of ₹ 2,780.77 crores and ₹ 1,669.34 crores from lead which accounted for 87.98% and 90.96% of our revenue from operations (gross) for the year ended March 31, 2024 and the six month period ended September 30, 2024, respectively. One of our major customers to whom we sell our lead products is Amara Raja Batteries Limited..

We strongly believe in innovation through process improvement and have thus made progress in these fields, especially in the realm of sustainable recycling, to ensure that green technologies are developed and deployed across countries, as manifested in our 70+ turnkey projects operating successfully both in developing and developed economies.

Our Promoter Rajat Agrawal, who is our Chairman and Managing Director, has over 30 years of experience in the lead recycling industry. With his industry, operational, and financial experience, we have been at the core of the expansion of our operations from the first recycling facility of our Company in Jaipur, Rajasthan in 1994 to eleven recycling facilities as on the date of this Placement Document. We also have qualified and experienced Key Managerial Personnel and Senior Management Personnel that has demonstrated its ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships. As of September 30, 2024, our permanent employee base comprises of 3,230 personnel across our operations. In addition to our regular employees, we also engage technical consultants from time to time to seek advice on process control and ways of improving the quality of our products.

The following table sets forth certain information relating to certain key financial metrics on a consolidated basis as of the dates and for the periods indicated:

(₹ in crores, except as otherwise stated)

Consolidated performance	**Six-month period ended September 30, 2024 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenue from operations	1,835.28	3,160.75	2,800.60	2,215.87
EBITDA (refer the table below for EBITDA computation)	151.16	283.55	197.61	210.91
EBITDA Margin %	8.24%	8.97%	7.06%	9.52%
PAT (attributable to owners of holding company)	139.33	239.19	201.10	139.39
Profit After Tax Margin %	7.59%	7.57%	7.18%	6.29%
Production volume (MT)	98,647	1,67,780	1,51,827	1,36,906
Capacity Utilization %	67.41%	57.68%	66.67%	66.81%

EBITDA Computation

Period	**Six-month period ended September 30, 2024 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Profit for the period / year (I)	139.92	242.28	204.09	148.45
Add: Tax expense (II)	19.86	31.87	23.50	16.19
Profit before tax (III=I+II)	**159.78**	**274.15**	**227.59**	**164.64**
Add: Finance cost (IV)	24.91	49.22	39.14	33.55
Add: Depreciation (V)	13.70	37.99	23.96	20.56
Less: Other income (VI)	47.23	77.81	93.08	7.84

EBITDA (III+IV+V-VI)	151.16	283.55	197.61	210.91

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

One of the largest recyclers of non-ferrous metals in India

We are one of the largest recyclers of non-ferrous metals in India with a focus on lead recycling *(Source IMARC Report)*. We possess specialist expertise in the recycling of used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap *(Source IMARC Report)*. With a track record of over two decades of recycling of used lead acid batteries, cable scrap/other lead scrap and recycling of aluminium scrap and plastic scrap, we have been able to gather significant industry expertise, develop a wide sales and distribution network and strategic customer relationships, manufacture products across the sectors, and achieve brand recognition and market leadership positions. Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas, comprising a total of 31 own yards, more than 1,700 touch points and more than 2,50,000 MT scrap collection capacity. We have a deep and unrivalled understanding of the global lead, aluminium and plastic recycling markets, with decades of rich experience. Our strong heritage, brand and reputation, deep knowledge along with our scale, embedded collection network and superior operating efficiencies gives us a competitive edge and makes it challenging for new and existing players to compete with us. We continue to invest in our capabilities by incurring capex across our segments and below is the revenue contribution from each of our verticals.

Segment revenue	Six months ended September 30, 2024 (unaudited)		Fiscals					
			2024		2023		2022	
	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)
Lead	1,669.34	90.96%	2,780.77	87.98%	2,333.45	83.32%	1,870.34	84.41%
Aluminium	117.03	6.38%	254.92	8.07%	338.81	12.10%	206.77	9.33%
Plastic	39.84	2.17%	78.02	2.47%	104.50	3.73%	131.38	5.93%
Turnkey	8.80	0.48%	40.90	1.29%	19.03	0.68%	5.74	0.26%
Others	0.27	0.01%	6.14	0.19%	4.81	0.17%	1.64	0.07%
Total	**1,835.28**	**100.00%**	**3,160.75**	**100.00%**	**2,800.60**	**100.00%**	**2,215.87**	**100.00%**

Entry into the market which our Company operates in has multiple barriers due to factors such as time and cost of entry, lack of specialist knowledge, difficulty in procuring licenses in India, procurement of OEM approvals and an insufficient capability to develop customized products *(Source IMARC Report)*. We believe our leading market positions are supported by significant barriers to entry including long customer validation process and developing strategic and long-term relationships with Industrial and automobile suppliers, high degree of product and technical precision, and stringent specifications. Our quality, cost and delivery capabilities have allowed us to sell products in customized lot sizes and enabled us to develop an established track record of meeting the requirements of our customers.

Turnkey recycling technology solutions

We offer comprehensive turnkey solutions for lead battery recycling, leveraging our deep-seated and longstanding experience in the business and in-house lead battery recycling technology. Our turnkey solutions are designed to deliver complete, efficient, and sustainable recycling plants, tailored to meet the specific needs of clients across various sectors. These solutions encompass all aspects of the recycling process, from initial design and equipment supply to installation, commissioning, and ongoing support, ensuring successful and environmentally responsible recycling operations. We are one of the leading Turnkey project suppliers for Lead and Aluminium recycling.

We also offer technical consultancy services for recycling. We have executed over 70 turnkey projects globally. Through our turnkey recycling technology solutions, we provide one stop solutions to our customers for their non-ferrous and plastic recycling needs. Our in-house R&D activity in this regard includes automation and recycling in a more environment friendly manner. Our plant and machinery capital expenditure in the lead and aluminium segments is managed through in-house installations, offering a cost advantage compared to market procurement.

Further, our turnkey recycling solutions enable a faster turnaround time in execution of greenfield and brownfield projects. This division enables easy relocation of plant and machinery, if required. We leverage our design, engineering, automation and flexible manufacturing capabilities to optimise product cycle times, enhance productivity and continue to develop products to meet the requirements of our customers.

With the track record of over two decades in the industry, our Company has established a strong procurement network as well as a reasonably diversified client base. While the supplier network has helped us to get seamless supplies for its enhanced capacity over the years, steady demand from the established client base has facilitated us to have satisfactory capacity utilisation levels and scale of operations. We believe our strong market position is supported by including long customer validation process and developing strategic and long-term relationships with our customers and high quality of products.

Diversified supplier base of raw materials and global operations

One of the critical factors to develop and grow in our business is the ability to source raw materials. The essential raw material used by our recycling facilities for production of lead, aluminium and plastics are used lead acid batteries, cable scrap/other lead scrap, aluminium scrap and plastic scrap. Given the fact that raw material expense constitutes a significant portion of our overall cost, we benefit majorly from a strong, globally spread out and diversified supplier base. Our deep-rooted procurement network is spread globally across Asia, Africa, the Middle East, Europe and the Americas, comprising a total of 31 own yards and more than 1,700 touchpoints. This enables us to negotiate favourable terms and even avail better prices. Additionally, we believe that our diversified supplier base helps us in minimizing supplier risk on account of low supplier dependency. We do not have any long term contracts with any of our raw material suppliers, however, we have maintained relationships with most of our major suppliers. Production quantity and cost of our offerings are dependent on our ability to source raw materials at acceptable prices and maintain a stable and sufficient supply of our raw materials. We believe our strong relationships with our raw material suppliers enable us to obtain such good quality of scrap at rates which we believe are beneficial to us, within the prescribed timelines. We continually strive to maintain strong relationships with our suppliers in order to derive better insight into the markets for our raw materials, which helps us to manage our raw material supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules and achieve on-time delivery for our customers. The scrap prices vary from market to market, and our buying team, accordingly, analyses the arbitrage in different markets to take possible advantages of such variations by purchasing more from the cheaper source. We maintain a robust database of our suppliers, quality of materials received from them and pricing details in addition to periodically conducting melt loss experiments to determine effective realizations. We have a stringent vendor rating system which enables us to keep a periodic check on our suppliers with regard to the quality of materials supplied and the corresponding prices.

In accordance with our strategy, we have invested in locations close to our customers' recycling facilities, which we believe has been a key factor in aiding and nurturing a strong relationship with these customers. Being closely located to our customers allows us to optimise our deliveries to our customers and facilitates greater interaction with our customers by enabling us to respond to their requirements in a timely manner. Our operations are spread globally, including in Africa (Ghana, Senegal, Mozambique, Togo and Tanzania) and Asia (India and Sri Lanka). Our multi-location strategy provides us with an opportunity in key auto clusters to expand our customer base in addition to helping us in gaining greater market share by giving us the ability to quickly respond to our customers. Further, locating our recycling facilities near our customers' premises reduces logistical costs allowing us to produce and supply cost competitive products for our customers.

Revenue	**Six months period ended September 30, 2024 (unaudited)**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
	₹ in crores	**₹ in crores**	**₹ in crores**	**₹ in crores**
India	1,220.97	1,739.04	1,306.52	1,055.12
Outside India	614.31	1,421.71	1,494.08	1,160.75
Revenue from operations	1,835.28	3,160.75	2,800.60	2,215.87

As on September 30, 2024, our customer base of more than 325 customers is located in Asia, the Middle East, Europe and the Americas, spanning more than 30+ countries. Our Indian operation serves more than 200 domestic customers located in 20 states of the country as on September 30, 2024.

Our technology, quality processes, engineering expertise and operational excellence

We possess specialist expertise in the recycling of used batteries, cable scrap/other lead scrap, aluminium scrap, and plastic scrap. Our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications. We presently operate through our eleven recycling facilities out of which five recycling facilities are located in India - two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir, while seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo. As on September 30, 2024, we have more than 1700 touch points globally and e have a production capacity of over 2,92,659 MT with 67.22% capacity utilization in India and an overseas capacity of 67.84%. Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas, comprising a total of 31 own scrap yards, more than 1,700 touch points and more than 2,50,000 MT scrap collection capacity as on September 30, 2024. We have technology which enables us to provide customised solutions and troubleshooting, on demand repair and maintenance and reduces our dependence on third party technology and man power.

Additionally, we employ an extensive and stringent quality control mechanism at each stage of the manufacturing process including a multi-stage check of raw materials, chemical analysis of lead, microstructure analysis, spectrometer analysis, which are required to ensure that our finished product confirms to the exact requirement of our customers and successfully passes all validations and quality checks. As on the date of this Placement Document, certain of our recycling facilities have accreditations such as ISO 9001:2015 for quality management system, ISO 14001:2015 for environment management system and ISO 45001:2018 for health and safety management system. These certifications ensure that recycling facilities adhere to strict quality and environmental protocols, demonstrating compliance with industry expectations. These certifications enable us to supply recycled metals to automotive OEMs, setting a competitive standard.

Customised and value-added products and strong penetrating capabilities

Our capability to produce customized and value-added products for diversified customer segments gives us better contributions and market share in the customer’s product mix. Our customized and value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, and plastic granules. Our products have been better described in “*Our Products*” on page 213. Our lead and lead products are used in a wide range of industries, including for several value-added and specialist applications such as radiation shielding, ballast for counter balance, roof flashing, tank lining, sound proofing, cored wire manufacturing etc. The following table sets forth the break up of revenue from value added products and % of revenue from operations for the periods indicated:

Value added products	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Six-month period ended September 30, 2024 (unaudited)**
Lead (₹ in crores)	589.00	825.31	1,125.96	734.45
Aluminium (₹ in crores)	174.00	256.50	204.53	90.34
Plastic (₹ in crores)	131.38	104.50	78.02	39.84
Total (₹ in crores)	**894.38**	**1,186.31**	**1,408.51**	**864.63**
Value added Products % of sales	40.36%	42.36%	44.56%	47.11%

We primarily cater to infrastructure and automobile industries. Other industrial uses of lead in India include its use in automotive batteries, construction, medical equipment, chemicals and in the oil and gas industry. Our deep-rooted procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas, comprising a total of 31 own scrap yards, more than 1,700 touchpoints and more than 2,50,000 MT scrap collection capacity as of September 30, 2024. Our diverse portfolio of products in each of our businesses are suited for various applications, ensuring that our products remain relevant across a wide range of industries, attract new customers, improve our share of business amongst existing customers and reduce our reliance on end-users from any particular industry.

Experienced Promoter and management team with strong domain expertise

Our top management has an experience in diversified industries. With their industrial, operational and financial experience, our Management has been at the core of our operations and expansion. Our Company has experienced robust business growth under the vision, leadership and guidance of our experienced management team comprising our Promoter Rajat Agrawal. Our Board plays a crucial role in overseeing how the management serves the short and long-term interests of our shareholders and other stakeholders. Our Management has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders. This belief is reflected in our governance practices under continuous review. Additionally, we have separate Strategic Business Unit (SBU) heads for each of our verticals.

We have a qualified senior management team, with diversified experience in the areas of operations, logistics, marketing and finance, which assists our Board in implementing our business strategies and furthering our growth. Our management team's collective experience and capabilities enable us to manage our business operations consistently, leverage customer relationships as well as understand and anticipate market trends. We will continue to leverage the experience of our Promoters and management team and their understanding of the recycling industry, to take advantage of current and future market opportunities. Through their commitment and experience, we believe our management team has established a good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, adapt to changes in the business landscape, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

Our Business Strategies

The Company intends to improve its market position in the recycling sector in which it operates, by pursuing the following business strategies:

Geographical diversification by establishing new recycling plants at different location to optimise the logistic cost and to increase volumes

We operate through our five recycling facilities in India, two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir. We have seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo. Our deep-routed procurement network is spread across Asia, Africa, the Middle East, Europe and the Americas, comprising a total of 31 own scrap yards, more than 1,700 touchpoints and more than 2,50,000 MT scrap collection capacity. We aim to increase the number of our scrap yards to enhance the strength of our existing deep-routed collection network.

We aim to further expand our operations by enhancing the distribution reach of our products in different parts of the country, especially in western India and in southern India. As on September 30, 2024, we have more than 1700 touch points globally and we have a production capacity of over 2,92,659 MT with 67.22% capacity utilization in India and an overseas capacity of 67.84%.

Our global diversification strategy is two-fold. Firstly, we are in the process of identifying new locations to establish additional manufacturing plants, both in India and overseas. In India, our Company is exploring growth opportunities in the eastern region of the country and internationally, we are exploring growth opportunities in various locations including the Americas and the western region of Africa. Such an approach would enable us to optimize our logistic cost. Secondly, we aim to expand the capacities of our existing facilities to leverage the additional availability of scrap in India.

Expansion in the existing business to increase the volumes

We have over the years established long-term relationships with our customers leading to recurrent business engagements with them. Our major customers comprising of battery and cable manufacturers, have been with us for several years. We believe that our customer retention levels reflect our ability to provide high quality products, and our consistent customer servicing standards have enabled us to increase our customer dependence on us. We strive to clearly understand our customers' business needs and provide products that maximize their returns. We will continue to work with our customers, with whom we believe we have long-standing relationships and knowledge of their requirements and preferences, in order to develop and supply highly specific products. We anticipate that our product offerings, the quality thereof and leadership in key product segments will help us in increasing our share of business amongst our existing customers as well as increase our customer base.

As the government works to increase the manufacturing sector's contribution to GDP from 17% to 25% by 2025, the demand for metals such as aluminium, lead, and others is expected to rise significantly. Key sectors like automotive, construction, defence, and electronics, all of which rely heavily on these metals, are set to expand rapidly under Make in India, thereby intensifying the need for sustainable and cost-effective sources of raw materials. The push for domestic manufacturing under Make in India directly impacts the metal recycling sector by reducing dependency on imported metals. By encouraging the reuse of materials through recycling, India can decrease its reliance on foreign imports, lowering costs and improving supply chain security. As a result, Make in India is fuelling the growth of the metal recycling market by creating a strong demand for recycled materials, improving efficiency in the supply chain, and promoting sustainable manufacturing practices. This shift toward recycling not only aligns with India's economic growth targets but also contributes to a more sustainable and self-reliant industrial ecosystem. *(Source: IMARC Report)* By leveraging the experience and expertise derived from our existing business, combined with Make in India initiative of Government, we aim to eventually increase the volume of our existing business by increase our customer base. We believe that such long-term, established customer relationships will enable us to effectively capitalize on our customers' increasing requirements, thereby increasing our market share, revenues and future earnings.

Opportunity to diversify in new recycling verticals and new turnkey projects

We have continued to deliver on our plan to consolidate the fragmented resource collections market. Further, we are planning to enter into Lithium-ion recycling. Moreover, in order to ensure seamless management of a growing business, we have placed emphasis on automation of all head-office processes, which will also improve our capital allocation and decision-making strategies.

Global lithium-ion battery recycling market to grow at a CAGR of 18.1% during 2024- 2032, reaching a volume of 1,330,572 tons by 2032. *(Source: IMARC Report)* The consistent collaborative efforts among governments, manufacturers, and recycling companies as well as strategic initiatives by the players are fostering the creation of more sustainable recycling practices. The global steel recycling market is expected to reach a volume of 859 million tonnes from 602 million tons in 2023. The global steel recycling market is also set to show growth pattern as sustainability takes priority and climate policies tighten. Further, the global paper recycling market reached a volume of 284 million tons in 2023, growing at a CAGR of 2.6% during 2018–2023. The global paper recycling market to grow at a CAGR of 3.3% during 2024-2032, reaching a volume of 396 million tons by 2032. *(Source: IMARC Report)* We aim to leverage our specialist expertise and technological know-how which we possess in our existing verticals to diversify into new recycling verticals such as, paper, steel, lithium ion, etc. We also intend to focus on diversification and increasing growth of non lead segments. We intend to diversify our business by reducing lead's contribution and focusing more on rubber, lithium battery, and aluminium recycling. Further, we may diversify into turnkey solutions for, rubber, paper, steel, lithium-ion, etc.

Key Milestones

The following table sets forth the key events and milestones in the history of our Company:

Financial Year	Event
1992	Our Company was incorporated
1995	Lead recycling plant in Jaipur
2000	First overseas recycling unit at Sri-Lanka
2006	Recycling unit in Ghana
2010	Listed on BSE and NSE through Initial public offering
2013	Ventured into value-added products at our Jaipur plant
2016	Diversified into Plastic Recycling
2016	Diversified into Aluminium Recycling in India
2019	Started Aluminium and Plastic Recycling in Africa
2021	New recycling facility at Mundra port
2022	Added rubber recycling and became MCX empanelled brand
2023	Added value added products in Africa

Our operations

Our Products

Our value-added products include customized lead alloys, lead sheets, lead bricks, red lead, lead oxide, lead balls, customized aluminium alloys, plastic granules, etc, that are used across diverse applications.

The brief details about the different products are stated below:

Pure Lead / Refined Lead Ingots

We are a manufacturer of refined lead or pure lead, producing high-quality lead ingots. Our lead ingots boast a purity level of 99.97% to 99.99% by weight and are meticulously crafted to be dross-free with a smooth top surface. To ensure easy handling, we bundle 42 ingots together for dispatch to our customers. Our controlled process and quality systems allow us to meet customers' specific impurity level requirements. Our lead ingots are used in a variety of applications, including, battery manufacturing, cable sheathing, plumbing, construction, radiation shielding, ammunition, aerospace, lead weights. We provide our customers with tailored solutions, offering a diverse range of lead ingots in different sizes and shapes to meet specific requirements.

Customized Lead Alloys

We are a manufacturer and exporter of all kinds of lead alloys such as lead antimony alloys, lead calcium alloys, selenium, copper, tin, arsenic, etc. Our recycling facilities have alloying kettles of various capacities ranging from 7-30 tonnes per batch. These alloying kettles are fitted with high efficiency furnace oil burners equipped with pre-heating arrangements. Emissions control is achieved by a flexible kettle hood venting into a venturi scrubber attached to an ID fan along with a chimney/stack arrangement. Our products serve the lead-acid battery and power cable industries, offering a distinctive advantage in critical applications and ensuring equipment longevity. For power cable sheathing, we produce alloy E, alloy E/2, and alloy C/2, providing complete insulation protection and electrical performance.

Lead Sheets

We manufacture lead sheets, which have considerable benefits such as being rugged, flexible, long lasting and having considerable aesthetic appeal. Around 75% of the lead sheets manufactured by us are consumed by the building industry and is used as flashings or weathering to prevent water penetration at points such as the bases of chimney stacks and abutments. The remaining 25% or so of our lead sheets are used for roofing and cladding. We offer custom cut-size lead sheets which are ready for leak-proof radiation shielding in healthcare facilities. We offer customised lead sheets with options for thickness, width, and length according to customer requirements. Our lead sheets are made of pure/chemical lead, antimonial lead, or calcium lead, providing benefits like ruggedness, flexibility, and durability. Our lead sheets excel in radiation protection in nuclear power, health care, and security equipment industries for X-ray room radiation shielding, as well as various applications, including tank linings, roof flashing, soundproofing, vibration absorbers, waterproofing, and are corrosion-resistant for various processes.

Lead Powder

We manufacture lead powder with precise particle sizes, catering to specific applications. Our lead powder process ensures consistent particle sizes, making it suitable for use in oil and gas exploration, radiological medical protective clothing, industrial X-ray shielding, golf clubs, anti-friction applications, radiological protective gloves, and more. We offer a variety of high-purity atomised lead powder with options in grade sizes and custom blends. We cater to orders of all sizes, from small quantities to truckloads.

Lead Bricks

The shielding of containers for radioactive materials is usually metallic lead. Radioactive materials in laboratories and hospitals are usually handled by remote control from a position of safety behind a wall of Lead bricks and X ray machines are normally installed in rooms lined with sheet Lead. Lead compounds are a constituent of the glass used in shielding partitions to permit safe viewing and Lead powder is incorporated into plastic and rubber sheeting as a material for protective clothing.

Red Lead

We are a manufacturer of red lead. We have a technologically efficient facility to manufacture red lead powder, which is supplied globally. Red lead is a bright red to orange, red powder which is used to make lead glass and red pigments. Paint made with red lead is commonly used to protect iron and steel from rusting. Chemically, red lead is known as lead tetra oxide, $Pb3O4$, and is a water-insoluble compound that is prepared by the oxidation of metallic lead or of litharge (lead monoxide). The commercial product sometimes contains litharge as an impurity.

Lead Balls

We manufacture lead balls, which are normally used for radiation protection and to fill and melt into hollow spaces and gaps in Lead shields where other Lead products like Lead sheet or Lead bricks are not fit for use. The material has a low melting point and can be processed easily and quickly into a homogenous barrier layer. The standard program comprises of diameters ranging from 2.5 to 4.0 mm. We produce additional dimensions based on the requirements of our customers.

Litharge

We manufacture litharge which is a versatile solid with a yellowish or reddish hue. It is used in making lead stabilisers, pottery, lead glass, paints, enamels, and inks. Additionally, it serves as an intermediate in various industries, including lubricants, greases, insecticides, inorganic pigments, lead soaps, petroleum refining, rubber, and PVC. We manufacture both granule litharge and powder litharge

Customized Aluminium Alloys

We are offering a wide range of metals and foundry alloys. Our products are designed to meet unique needs of our customers, ensuring precise and efficient project execution. Our production is based on secondary aluminium. Consistent high metal quality is ensured using top-grade raw materials and applying best practices. Our alloys are produced as continuous cast or mould cast ingots, stacked and bundled in various sizes. Foundry alloy ingots weigh 5-6kg, and bundles can range from 500-800kg, depending on the production source. Our foundry alloys are produced to meet individual customer specifications. We offer follow types of aluminium alloys:

- Aluminium Alloy A380: A widely used alloy with significant benefits and versatile applications.
- Aluminium Alloy 383 (ADC12): An excellent alternative to A380, perfect for intricate components.
- ADC6: A versatile aluminium alloy offering remarkable strength and corrosion-resistance
- HS1: A high-strength aluminium alloy known for its exceptional mechanical properties and durability
- AC4B: An aluminium alloy with superior casting properties for various industries
- LM24: A high-quality aluminium alloy with excellent machinability and corrosion-resistance
- LM6: An aluminium alloy renowned for its outstanding casting properties and dimensional stability
- HD4: A durable and corrosion-resistant aluminium alloy, ideal for high-strength applications

Plastic Granules

We manufacture a range of **HDPE and PP polymers**, which has no alternative in the market for its quality. Manufactured using high grade plastic raw material, PPCP Granules are offered by us in various shapes and sizes, depending upon its requirement in various applications. Known for their excellent properties, our PPCP Granules are used on an industry-wide basis including Houseware, Kitchenware, Air cooler, Plastic Furniture, Electronic parts, Automobile parts, Rigit packing, Toys, Gift articles, etc.

Rubber Recycling

We also recycling rubber scrap in a sustainable and eco-friendly manner. We understand the impact of rubber waste on the environment and strive to reduce it by utilising rubber scrap efficiently. We procure different types of rubber scrap materials, such as tyres and other rubber products from across the world. Our recycling processes ensure that these materials are reused effectively and do not end up in landfills or cause harm to the environment. We work closely with OEMs to help them comply with government norms and regulations related to rubber scrap recycling.

Our Turnkey Recycling Solutions

We offer comprehensive turnkey solutions for lead battery recycling, leveraging our deep-seated and longstanding experience in the business and in-house lead battery recycling technology. We also offer technical consultancy services for recycling. Our track record in this line of business is evident in the fact that we have executed over 50 turnkey projects globally. Our turnkey solution division is the key differentiator between us and our competitors. Through our turnkey recycling technology solutions, we provide customized one stop solutions to our customers for their non-ferrous and plastic recycling needs. We leverage our design, engineering, automation and flexible manufacturing capabilities to optimise product cycle times, enhance productivity and continue to develop products to meet the requirements of our customers.

We offer solutions which can be tailor-made to a customer's needs with a special focus on timely delivery and effective pollution control. Our solutions meet the requirements of all small to medium scale lead processing units. Our plants are eco-friendly and cost-competitive, and all of our operations comply with ISO 9001 and ISO 14000 guidelines. Our turn-key services are in full conformity with both technical and regulatory norms.

We offer recycling equipment such as battery cutting machines, battery crushing and hydro separation systems, lead smelting/ recycling furnaces, lead refining furnaces, lead alloying furnaces, pollution control equipment, fugitive emission control equipment, lead ingot casting machines, plastic crushers and plastic processing plants and aluminium recycling plants.

Our Manufacturing Process

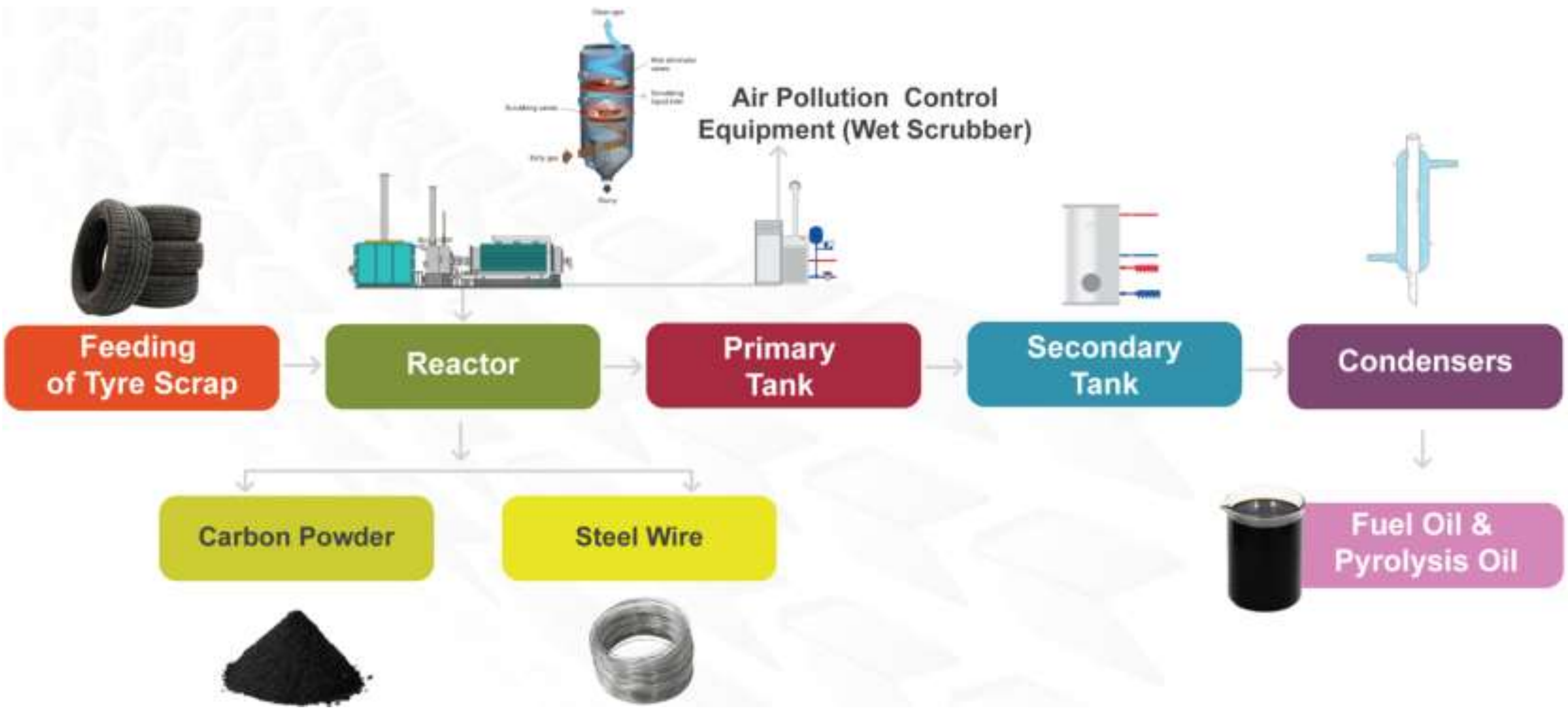
Set forth below is a brief description of the process carried out in our facilities to manufacture our Lead, Aluminium, Plastic and Rubber products.

Lead Recycling Process

Aluminium Recycling Process

Plastic Recycling Process

Rubber Recycling Process



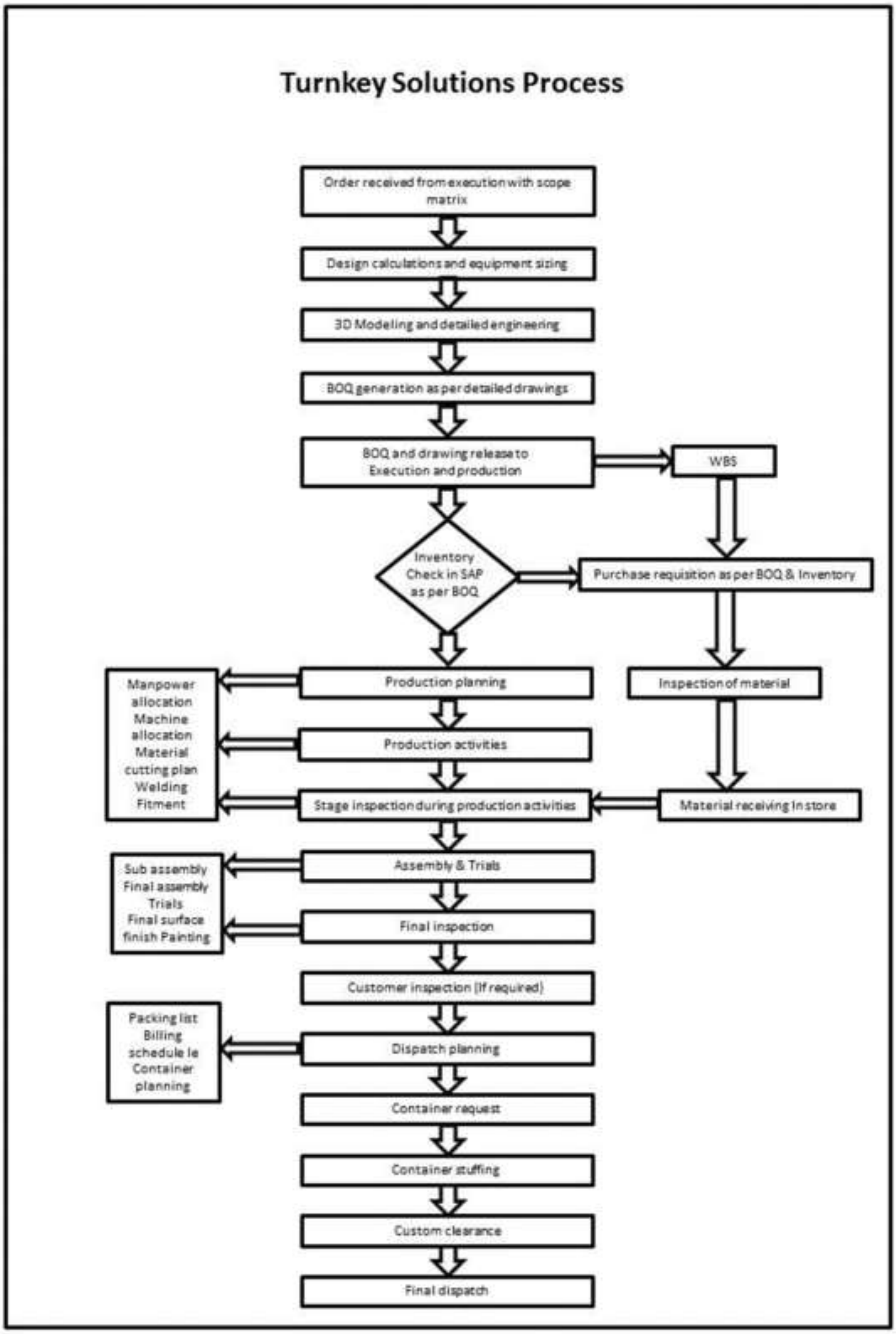
Air Pollution Control
Equipment (Wet Scrubber)
Feeding
of Tyre Scrap
Reactor
Primary
Tank
Secondary
Tank
Condensers
Carbon Powder
Steel Wire
Fuel Oil &
Pyrolysis Oil

Turnkey Solutions

Our turnkey solutions are designed to deliver complete, efficient, and sustainable recycling plants, tailored to meet the specific needs of clients across various sectors. These solutions encompass all aspects of the recycling process, from initial design and equipment supply to installation, commissioning, and ongoing support, ensuring successful and environmentally responsible recycling operations. Our turnkey projects are designed to not only facilitate maximum production capacity within a two-to-three-month timeframe, but also to provide our customers with consistency in productivity and enhanced safety for their workforce. We understand the specific needs of small to medium-scale processing units and provide customised services that prioritise timely delivery and effective pollution control.

Our turnkey solutions are for battery cutting, acid neutralisation, smelting, and refining, to efficiently recycle lead batteries. We also provide turnkey solutions for aluminium recycling requirements wherein we provide a full package, including advanced equipment, expert advice, and comprehensive training.

Turnkey Solutions Process



Our *Recycling Facilities*

Our Group currently has five recycling facilities located in India. Two of these facilities are situated at Jaipur in the state of Rajasthan, one is situated at Mundra, in the state of Gujarat, one at Chittoor in the state of Andhra Pradesh and one at Kathua in the state of Jammu and Kashmir. Some of our recycling facilities are operated round the clock for seven days in a week with national and public holidays being off days.

Set forth below are details of the location, activity, installed capacity and the utilized capacity at our recycling facilities located in India as on September 30, 2024:

(In metric tonne, except described)

Sr. No.	Location	Activity	Installed capacity per annum	Utilised capacity per annum
1.	Saurabh, Chittora Road, Harsulia Moad, Diggi – Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan	Manufacturing of Lead, Aluminium and Plastic products	53,319	48.91%
2.	Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil Sanganer, Dist. Jaipur – 302 029, Rajasthan, India	Turnkey solutions for recycling	-	-
3.	Survey No. 43, Near National Highway No. 8A, Patri Gundala Road, Village Moje Gundala Taluka Mundra Kutch, Kachchh, Gujarat – 370 410	Manufacturing of Lead and Plastic products	72,300	75.02%
4.	Survey No. 233/15 to 233/30, Tiruthani Road, Village – Ananthapuram – Panchayat Narasingharayani Pettah – Post Chittoor, Andhra Pradesh – 517 419	Manufacturing of Lead and Plastic Products	70,640	72.98%
5.	25-26, SICOP Industrial Area, Kathua – 184 102, Jammu and Kashmir, India	Manufacturing of Lead products	6,000	68.37%

(Source: As certified by Ramesh C. Agrawal, Chartered Engineer dated December 12, 2024)

Set forth below are details of the location, activity, installed capacity and the utilized capacity at our recycling facilities located outside of India:

(In metric tonne, except described)

Sr. No.	Location	Activity	Installed capacity per annum	Utilised capacity per annum
1.	**Sri Lanka** Plot No. 27"A", MEPZ, Mirigama Export Processing Zone, Mirigama (Dist.- Gampha) Srilanka	Manufacturing of Lead products	9,000	39.41%
2.	**Ghana** Segeco flats, Thorkey House, Segeco Flats LANE, Tema, Greater Accra Co 1088 TEMA, Ghana	Manufacturing of Lead and Plastic products, Trading of Aluminium	24,000	90.06%
3.	**Senegal** Zone Industrielle de Sebikotana, Sebikotana Daka, SENEGAL	Manufacturing of Lead, Aluminium and Plastic products	14,200	59.41%
4.	**Mozambique** Av. Samora Machel (Estrada Maputo-Witbank), No 672 – EN4, Bairro Matola-Gare, Tchumene-2, Municipal da Matola, Provincia de Maputo. Mozambique	Manufacturing of Lead and Plastic products, Trading of Aluminium	9,400	76.12%
5.	**Mozambique** Av. Samora Machel. (Estrada Maputo – Witbank) No. 672-EN4, Bairro. Matola Gare. Tchumene-2, Municipio da Matola, Provincia de Maputo, MOZAMBIQUE	Manufacturing of Aluminium Products	4,000	76.19%
6.	**Tanzania** Plot No. K7/ Level 4, Block No. Samora Avenue-Harbour View, P.O. Box 500, Dar es Salaam	Manufacturing of Lead, Plastic & Aluminium Products	19,800	52.32%

Sr. No.	Location	Activity	Installed capacity per annum	Utilised capacity per annum
7.	**Togo** Gape Centre,Village-kouni National N1, Togo	Manufacturing of Lead & Aluminium products	10,000	71.67%

(Source: As certified by Ramesh C. Agrawal, Chartered Engineer dated December 12, 2024)

Our Equipment

We use various equipment for manufacturing and supplying Lead including Battery cutting Machine, Battery Hydro Separator (BHS), Lead Scrap Shearing Machine, Charging Unit, Rotary Furnace, Pollution Control Plant, Fumigation System, Lead Refining Kettles, Alloying Kettle, Atomic Absorption Spectrometer, Optical Emission Spectrometer, Barton Plant, Litharge Plant, Red Lead Furnaces, Ball Mill, Weighing Machine. For manufacturing and supplying Aluminium, we use Skelnar Furnaces, Rotary Furnaces, Ingot Casting Machines, Spectro and Pollution Control Equipment. For manufacturing and supplying Plastic, we use PP washing lines, PP Granulation lines, crushers and hot and cold washing lines. For rubber recycling, we use tyre shredder, charging machine, reactor and condenser.

Raw Materials and Suppliers

One of the critical factors to develop and grow in our business is to possess the ability to source good quality raw materials at competitive prices. The essential raw material used by our recycling facilities for the production of lead alloys and value added products is lead scrap, lead ore, lead concentrate and remelted lead ingots. For the production of customized aluminium alloys, the essential raw material used by our recycling facility is aluminium Scrap. With regard to production of plastic granules, the essential raw material used by our recycling facility is plastic scrap. For rubber recycling we procure tyre and rubber scraps.

We are India's largest lead acid battery scrap buyer, importing scrap for recycling from around the world. *(Source: IMARC Report)* We purchase all types of used lead acid battery scraps as well as battery plates and paste. We also buy soft lead scraps such as sheets, pipes, cable stripping, etc. and remelted lead ingots, also known as lead bullions. We have a global network of scrap procurement that includes 31+ own yards, 1,700+ touchpoints, and 250,000 MT+ of scrap collection. This ensures that we can procure various types of scrap material from around the world, including used lead acid batteries, lead scrap, aluminium scrap, plastic scrap, and rubber scrap. Our recycling verticals ensure that these materials are utilised efficiently and help reduce environmental impact. We procure a wide range of plastic scrap materials such as battery boxes, HD barrels, buckets, chips, raffia bags, LD films, etc., from around the world to ensure that these materials are not wasted and are reused for a greener future.

Our global spread helps us reduce logistics costs and procure materials cheaper. Our deep presence in Asia, Africa, the Middle East, Europe and America ensures raw material at competitive prices. In India, around 70% of the raw material used in the manufacturing process was imported in Fiscal 2024. These raw materials are mainly imported from GCC, U.K., Ghana, USA, Mozambique, etc. Our cost of raw materials consumed including purchases of stock in trade and changes in inventories of finished goods, work-in progress and stock in trade for the six-month period ended September 30, 2024 and for Fiscals 2024, 2023 and 2022 was ₹1,488.39 crores, ₹2,561.19 crores, ₹2,282.02 crores and ₹1,743.53 crores, respectively which represented 79.06%, 79.08%, 78.86% and 78.41%, respectively of our total income respectively

We procure all these raw materials from third party suppliers at negotiated and spot rates. We have maintained long term relationships with most of our major suppliers.

Customers

As on September 30, 2024, our customer base of more than 325 customers is spread across 30+ countries including Asia, middle East, Europe and the Americas. Our Indian operation serves more than 200 domestic customers located in 20 states of the country and on September 30, 2024. Our customers are spread across various industries & applications such as the automobile industries, battery manufacturers, cable manufacturers, etc, catering to manufacturers, OEM's and traders.

The table below sets forth details of revenues generated from our top 3 customers and our top 10 customers for the periods indicated on consolidated basis.

Customer	Fiscal						Six months ended September 30, 2024 (unaudited)	
	2022		2023		2024			
	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)	Amount (In ₹ crores)	Percentage of Revenue from Operations (%)
Top 3 Customers	1,019.24	46.00%	1,152.28	41.14%	1,336.54	42.29%	907.08	49.42%
Top 10	1,586.41	71.59%	1,850.22	66.07%	2,139.61	67.69%	1,498.30	81.64%

We have annual contracts with battery manufacturers, OEM's, and traders around the globe. The purchase orders specify prices and quantities for the products. However, the delivery of the products ordered is based on delivery schedules which are independently negotiated by us with our customers. These purchase orders are typically subject to conditions such as ensuring that all products delivered to the customers have been inspected and are built to customers' specifications and that orders are fulfilled according to predetermined delivery schedules. To that end, we also include pre-dispatch inspection reports with our deliveries.

Our Sales and Marketing Operations

We have a robust marketing team who work closely with our customers based across the globe and focus on product development and maintaining customer relationship. Under the leadership of our respective SBU heads *viz.* Lead, Aluminium, Plastic and Turnkey, this team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries.

Our Company manufactures customized products as per the schedule of requirement. We are being manufacturers of products on order basis, have a "Pull" strategy approach for marketing. As our products are used in industrial applications, the sales team of our Company markets its products in the Indian markets and subsidiaries of our Company market our products in their various respective markets. Further, we participate in the various conferences, exhibitions, and are also part of various institutes and federations. Our Company has also appointed consignment agents in Pune, Delhi and Hyderabad and proposes to appoint additional agents in other areas to market our range of products. Further, we have appointed commission agents who deal in our products in the markets across the globe. We also market our products using Internet as a tool for marketing and brand promotion. Our products are listed, and advertisements are displayed on various B2B portals related with lead metal industry such as "Lead Battery Recycling World – www.lead-battery-recycling.com".

Our sales team has built long-term relationships with a number of leading companies and has played an important role in helping us attain our position as a supplier of choice for them.

Quality Control and Services

We operate at a high environmental, health, safety and quality standards in our operations. In the Lead, Aluminium and Plastic manufacturing and recycling sectors, adherence to quality standards is a critical factor as any defects in any of the products manufactured by our Company or failure to comply with the specifications of our customers may lead to cancellation of the purchase order placed by our customers. In order to maintain the quality standards and comply with the design specifications provided by our customers and to ensure that our products successfully pass all validations and quality checks. We have well defined standard operating procedures for all the customized products. All our standard products confirm to globally accepted standards. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process including a multi-stage check of raw materials, chemical analysis of alloys, microstructure analysis and spectrometer analysis. At each stage of the manufacturing process, the products are checked by the operators to ensure there is no defect from the previous stage operator. Separately, our recycling facilities and manufacturing processes are regularly inspected by representatives of our customers, government authorities and other certifying bodies. We also have a separate team which is responsible for quality assurance both in the recycling facilities, plants and machineries, and in the manufacturing processes.

Our quality control process operates on a three-fold level. The first level is on the inward side wherein we check the quality of the material we receive from our suppliers. This is a raw material check wherein we check the number of impurities in the material against the purchase orders that we have given. This ensures that are raw materials as per the specifications as requested from our suppliers and is adequate to make quality finished products for our customers. On the production side, we ensure that all of our production as requested by the sales team confirms to the quality parameters as given in the production index. Further, our finished goods are tagged in mark according to buyers to ensure that all the products have clearly identified standards. We also ensure that all our products are distinctly packaged, marked and labelled so as to ensure that there is no wrong dispatch. Further, to check the quality of the finished goods we have a laboratory at each manufacturing plant with machinery to check the quality of our material, its chemistry and adequacy to customer requirements. We also mention the batch number on all our finished good in order to trace the same in case of any complaints from our customers.

We have a quality control laboratories in our plants consisting of Optical Emission Spectrometer (OES), Atomic Absorption Spectrometer (AAS), Met Flow Index (MFI) and Universal Testing Machine (UTM) to monitor the purity levels of our products. Our manufacturing operations to produce Pure Lead / Lead Alloys, Lead Oxides (Litharge, Red Lead & Lead Sub-Oxide), are controlled round the clock by experienced Chemists and Quality Control supervisors. Further, we have quality departments who inspect the quality of Inbound, process and Outbound.

Our recycling facilities are accreditation certifying quality management system and details of the same are as follows:

Recycling facilities	Quality management system
Saurabh, Chittora Road, Harsulia Moad, Diggi – Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan	ISO 9001:2015, ISO 14001:2015; and ISO 45001:2018
Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil Sanganer, Dist. Jaipur – 302 029, Rajasthan, India	ISO 9001:2015
Survey No. 43, Near National Highway No. 8A, Patri Gundala Road, Village Moje Gundala Taluka Mundra Kutch, Kachchh, Gujarat – 370 410	ISO 9001:2015, ISO 14001:2015; and ISO 45001:2018
Survey No. 233/15 to 233/30, Tiruthani Road, Village – Ananthapuram – Panchayat Narasingharayani Pettah – Post Chittoor, Andhra Pradesh – 517 419	ISO 9001:2015, ISO 14001:2015; and ISO 45001:2018
25-26, SICOP Industrial Area, Kathua – 184 102, Jammu and Kashmir, India	ISO 9001:2015, ISO 14001:2015; and ISO 45001:2018

Information Technology

We have implemented various information technology ("**IT**") solutions and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations. We intensively use technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling raw material purchase. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. We intend to continue to focus on and make investments in our IT systems and processes, including our backup systems, to improve our operational efficiency, customer service and decision making process and to reduce manual intervention and the risk of system failures and the negative impacts these failures may have on our business thereby improving reliability and efficiency of our business and operations.

We also have in place a business intelligence software which is utilized for driving process improvements and supporting the entire process lifecycle, including process discovery, definition and modelling, implementation, monitoring, and analysis and continuous improvement. This is an extremely flexible software and can be tailored to match the needs of the end user. Further, our Company also employs an advanced software that allows us to plan our procurement and production processes using the linear programming technique. This software is fully integrated, programming based system that includes scrap control, inventory control, purchase evaluation, among others. We implemented ERP systems in 2014 encompassing all business functions including production, materials, finance, inventory and human resource management. We make efforts to consistently upgrade our systems to ensure efficiency thereby leading to business continuity.

Intellectual Property

The trademark of our Company, 'GRAVITA' is registered with the Registrar of Trademarks, Government of India under classes 1, 6 and 7. Additionally, our copyright, GRAVITA is under the process of registration.

Health, Safety and Environment

We aim to comply with applicable health and safety regulations and other requirements in our business operations. all of the recycling facilities of our Company have accreditations such as ISO 9001:2015, ISO 14001:2015, ISO 45001:2018. We have implemented work safety measures to ensure a safe working environment. Such measures include general guidelines for health and safety at our offices and recycling facilities, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. To this end, independent third party audits are also conducted to improve safety on our shop floor.

Our Company is also committed to maintaining its strong performance on environmental indicators. Recycling has many environmental advantages over fresh production.

Human Resource and Employee Training

As on September 30, 2024, we have 3,230 permanent employees. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. As on September 30, 2024, we had 2,112 employees working in the production team, 80 employees engaged in the procurement/purchase team, 281 employees engaged in the maintenance team, 54 employees engaged in the accounts and finance team and 17 employees engaged in the sales and marketing team, among others. For the purposes of recruiting employees, we use recruitment agencies and websites and conduct campus interviews at regular periods. Our emoluments for our staff are performance based. Employees are evaluated on a monthly basis for their performance on specified parameters and appraised on a yearly basis.

None of our employees are in a union and we have not had any material disputes with our employees in the past. As such we consider our relations with our employees to be amicable. We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organised or sponsored by the Company. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations.

Insurance

As on the date of this Placement Document, our Company has various types of insurance policies in respect of our business, our assets such as our plants, buildings and equipment. The principal types of insurance coverage maintained by our Company and our Subsidiaries include group personal accident policies, policies for insuring our stock, workers, building, machinery, office equipment, fixtures etc. from fire damage, burglary insurance for our stock and workers, money insurance policies, fidelity floater insurance policies, marine cargo policies, insurance for various commercial vehicles owned by our Company and Subsidiaries, and insurance against liability, including commercial general liability and director and official liability.

Corporate Social Responsibility

We recognize our role and responsibility to deliver superior and sustainable value to our customers, business, partners, employees and communities. We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government. In Fiscals 2024, 2023 and 2022, we have spent ₹ 1.45 crore, ₹ 0.86 crore and ₹ 0.64 crore, respectively, on CSR activities.

As a part of our CSR, we have already setup a CSR Committee comprising of our Directors, Chanchal Chadha Phadnis as its Chairman, Rajat Agrawal and Yogesh Malhotra as its members. We are currently focusing on CSR activities in the areas of education, health, safety and skill developments for the youth. The CSR initiatives of the Company focus on the areas surrounding its plants, locations and where the Company has its offices.

Property

Our Registered Office, located at "Saurabh" Chittora Road, Harsulia Mod, Diggi – Malpura Road, Tehsil Phagi, Jaipur 303 904 is occupied by us on partly owned and partly leasehold basis.

Our Corporate Office located at 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan India is occupied by us on partly owned and partly leasehold basis.

We operate through our five recycling facilities in India, two in Rajasthan, one in Gujarat, one in Andhra Pradesh and one in Jammu and Kashmir. We have seven recycling facilities outside of India, one in Sri Lanka, one in Ghana, one in Senegal, two in Mozambique, one in Tanzania and one in Togo. Details of our recycling facilities are as follows:

Sr. No.	Location	Name of the Entity	Owned / Leased
1.	Jaipur – Phagi, Rajasthan	Gravita India Limited	Partly Owned Partly leased
2.	Jaipur – SEZ, Rajasthan	Gravita India Limited	Long term lease
3.	Chittoor, Andhra Pradesh	Gravita India Limited	Owned
4.	Mundra, Gujarat	Gravita India Limited	Owned
5.	Kathua, J&K	Gravita Metal INC	Long term
6.	Ghana	Recyclers Ghana Limited	Owned
7.	Senegal	Gravita Senegal SAU	Owned
8.	Mozambique	Gravita Mozambique LDA	Leased
9.	Mozambique	Mozambique Recyclers LDA	Leased
10.	Tanzania	Gravita Tanzania Limited	Owned
11.	Togo	Gravita Togo SAU	Owned
12.	Srilanka	Navam Lanka Limited	Long term lease

Competition

Our Company has expertise in handling and processing of hazardous waste and manufacturing of customized and value-added products. We enjoy a niche position with respect to our products and also the number of players in this market.

There are Indian companies producing similar products but only few have a manufacturing base in other countries which would have given them an additional strength of committed and cheap source of raw material. Our Company's core strength is in our environment friendly, cost effective Recycling at our various national & international locations, which gives us an edge over our competitors. Additionally, fluctuations in metal prices and technological advancements in recycling processes further intensify competition, as companies strive to optimize efficiency and profitability. This competitive landscape pushes businesses to innovate and adopt more sustainable practices to stay ahead in the market. Our competitors include national players such as Century Metal

Recycling, Century NF Casting Limited, Shree Balaji Alumnicast Private Limited, Sunalco Industries Private Limited, Pilot Industries Limited, Pondy Oxides & Chemicals Limited, amongst other *(Source: IMARC Report)*. We also face competition in overseas market from different players such as Eco Bat and Campine NV and other players operating in the same line of business. *(Source: IMARC Report)*

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, read with applicable provisions of the Companies Act, our Company is required to have not less than three Directors and not more than fifteen Directors. As on date of this Placement Document, our Board of Directors consists of six Directors including one Chairman cum Managing Director, two Whole-time Directors, and three Independent Directors (including one woman Independent Director).

Our Board of Directors composition is in compliance with the Companies Act and the SEBI Listing Regulations. The following table sets forth details regarding our Board of Directors, as of the date of this Placement Document:

Name, address, occupation, term, nationality and DIN	Age (years)	Designation
Rajat Agrawal **Address**: C-137, Dayanand Marg, Tilak Nagar, Jaipur – 302 004, Rajasthan **Occupation**: Business **Term:** For a period of 3 years with effect from September 25, 2024 **Nationality:** Indian **DIN:** 00855284	57	Chairman cum Managing Director
Yogesh Malhotra **Address**: C/O,802 Roop Garden, Apartments, Shanti Path, Tilak Nagar, Jawahar Nagar, Jaipur – 302 004, Rajasthan. **Occupation**: Business **Term**: For a period of 3 years with effect from March 31, 2022 **Nationality**: Indian **DIN**: 05332393	56	Whole-time Director cum Chief Executive Officer
Sunil Kansal **Address**: 602 Maple, Radiant Casa, Behind Hotel Lalit, Jawahar Circle, Jaipur – 302 017, Rajasthan **Occupation**: Service **Term**: For a period of 3 years with effect from October 4, 2024 **Nationality**: Indian **DIN**: 09208705	51	Whole-time Director and Chief Financial Officer
Ashok Jain **Address**: Gandhi Path Queens Road, 111, Aditya Vihar, Jaipur – 302 021, Rajasthan	66	Independent Director

Name, address, occupation, term, nationality and DIN	Age (years)	Designation
Occupation: Self Occupied **Term**: For a period of 5 years with effect from July 1, 2024 **Nationality**: Indian **DIN**: 01641752		
Satish Kumar Agrawal **Address**: 604, The Crest, Tonk Road, Airport Enclave Durgapura, Jaipur – 302 018, Rajasthan **Occupation**: Self Occupied **Term**: For a period of 5 years with effect from July 1, 2024 **Nationality**: Indian **DIN**: 10462319	62	Independent Director
Chanchal Chadha Phadnis **Address**: A-37, Behind National Handloom Corporation, Vaishali Nagar, Heerapura, Jaipur - 302 021, Rajasthan **Occupation**: Retired Banker **Term**: For a period of five years with effect from March 24, 2020 **Nationality**: Indian **DIN**: 07133840	70	Independent Director

Brief Profiles of our Directors

Rajat Agrawal is the Promoter and Chairman cum Managing Director of our Company. He holds a bachelor's degree in engineering (Mechanical) from University of Rajasthan. He has over 29 years of experience in establishing and handling manufacturing operations.

Yogesh Malhotra is a Whole-time Director and Chief Executive Officer of our Company. He holds a bachelor's degree in mechanical engineering from MREC, Jaipur and a master's degree in business administration from National University of Singapore. He has over 20 years of work experience in the Asia Pacific markets. He had served in various capacities in top organizations such as Blue Star and Castrol.

Sunil Kansal is Whole-time Director and Chief Financial Officer of our Company. He also serves as our Chief Financial Officer bringing in 16 years of experience in the financial domain. He is a Chartered Accountant. He joined Gravita India Limited in 2008.

Ashok Jain is an Independent Director of our Company. He is a retired IAS officer and has held the post of the Chief Secretary of Rajasthan from June 2017 to December 2017.He holds a bachelor's degree in engineering (Electronics and Communication) from University of Jodhpur and master's in science from UMIST and the Victoria University of Manchester. He has served the Government of Rajasthan for around 36 years holding positions like the collector and district magistrate of Jaisalmer, Chairman of Rajasthan State Pollution Control Board and Ex-Officio Pr. Secretary to Government, Environment Department, and Commissioner of Jaipur Development Authority.

Satish Kumar Agrawal is an Independent Director of our Company. He was an IRS officer and holds a bachelor's degree in engineering from Malaviya Regional Engineering Collage, Rajasthan University. He also holds a masters of technology in structural engineering from the Indian Institute of Technology, Delhi. He has hold positions in various Customs, Central Excise, Service Tax and GST departments**.**

Chanchal Chadha Phadnis is an Independent Director of our Company. She holds a master's degree in business administration from Ramnath Anandilal Podar Institute of Management, Rajasthan University.

Relationship with other Directors

As on the date of this Placement Document, none of the Directors are related to each other.

Shareholding of Directors in our Company

As per the Articles of Association of our Company, our Directors are not required to hold qualification shares.

The following table sets forth details of shareholding of our Directors in our Company, as applicable, as of the date of this Placement Document:

Name of the Director	Designation	No. of Equity Shares	Percentage (%)
Rajat Agrawal	Chairman cum Managing Director	2,63,99,789	38.24
Yogesh Malhotra	Whole-time Director and Chief Executive Officer	10,180	0.01
Sunil Kansal	Whole-time Director and Chief Financial Officer	12,850	0.02

Borrowing powers of the Board

Pursuant to our Articles of Association, subject to applicable laws and pursuant to a special resolution dated June 3, 2017 passed by our Shareholders by the way of postal ballot, our Board has been authorised to borrow from time to time at the discretion of the Board for the business purposes of the Company, any sum or sums of money in any form whether secured or unsecured, in Indian or Foreign currency or by way of debentures / bonds or any other securities, from time to time from any Bank(s) / financial institutions or any other institutions, firms, body corporates or other persons, in India or abroad, apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business provided that the sum so borrowed and remaining outstanding at any time shall not exceed in the aggregate of ₹750 crores in excess of and addition to the paid up capital and free reserves of the Company.

Interests of our Directors

Our executive Director may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. Further, our Directors may also be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Subsidiaries and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Director, see "*- Terms of appointment and remuneration of Executive Directors*" and "*- Remuneration of Non-executive and Independent Directors*" on page 233.

Our Directors may also be regarded as interested to the extent of equity shares held by them in our Company and Subsidiaries, if any, details of which have been disclosed below under the heading "*Shareholding of Directors in our Company*" on page 232 and to the extent of any dividends payable to them in accordance with Companies Act and other distributions or benefits in respect of the equity shares held by them, if any. Our Directors may also be interested to the extent of Equity Shares, if any, held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Except for the rent expenses paid to Rajat Agrawal, Chairman and Managing Director and other transactions as stated in the section "*Related Party Transactions*" on page 103, none of our Directors have any other interest in the business of our Company.

Our Directors may also be regarded as interested to the extent of equity shares held by them in our Company and Subsidiaries, if any, details of which have been disclosed below under the heading "*Shareholding of Directors in our Company*" on page 232 and to the extent of any dividends payable to them in accordance with Companies Act and other distributions or benefits in respect of the equity shares held by them, if any. Our Directors may also be interested to the extent of Equity Shares, if any, held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Except as stated in "*Financial Information*" beginning on page 304, our Directors have no interest in any property acquired or proposed to be acquired of or by our Company as on the date of this Placement Document or in any transaction by our Company for acquisition of land, construction of buildings and supply of machinery.

Terms of appointment and remuneration of Executive Directors

Rajat Agrawal, Chairman cum Managing Director

Rajat Agrawal has been re-appointed as the Managing Director of our Company for 3 years with effect from September 25, 2024 till September 24, 2027 pursuant to a resolution passed by our Board on July 20, 2024 and our Shareholders on September 18, 2024. Further, he was redesignated as the Chairman cum Managing Director with effect from October 5, 2024. The terms and conditions of his appointment as the Chairman cum Managing Director are set forth below:

Particulars	Details
Salary	Basic salary of ₹ 0.22 crores per month
Other allowances	House rent allowance, perquisites and other allowances of ₹ 0.32 crores per month Facilities as are allowable to the employees of the senior management cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred in connection with the business of the Company.
Gratuity	Gratuity payable as per the rules of the Company but not exceeding 15 days salary for each completed year of service encashment of leave at the end of the tenure and provident fund will not be included in the computation of salary to the extent the same are not taxable under IT Act.

Yogesh Malhotra, Whole Time Director and Chief Executive Officer

Yogesh Malhotra has been appointed as the Whole Time Director of our Company for 3 years with effect from March 31, 2022, till March 30, 2025, pursuant to a resolution passed by our Board on January 10, 2022, and our Shareholders on February 11, 2022:

Particulars	Details
Salary	Basic salary of ₹ 0.03 crores per month
Other allowances	House rent allowance, perquisites and other allowances of ₹ 0.04 crores per month. Facilities as are allowable to the employees of the senior management cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred in connection with the business of the Company.
Gratuity	Gratuity payable as per the rules of the Company but not exceeding 15 days salary for each completed year of service, encashment of leave at the end of the tenure and provident fund will not be included in the computation of salary to the extent the same are not taxable under IT Act.
Special Ex-Graita	₹ 0.63 crores per month payable at the discretion of the management and Managing Director

Sunil Kansal, Whole Time Director and Chief Financial Officer

Sunil Kansal has been appointed as the Whole Time Director of our Company for 3 years with effect from October 4, 2024, till October 3, 2027, pursuant to a resolution passed by our Board on October 4, 2024, and our Shareholders on November 22, 2024:

Particulars	Details
Salary	Basic salary of ₹ 0.02 crores per month
House Rent Allowances, perquisites and other allowance	House rent allowance &, perquisites and other allowances of ₹ 0.03 crores per month Facilities as are allowable to the employees of the senior management cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred in connection with the business of the Company.
Gratuity	• Gratuity payable as per the rules of the Company but not exceeding 15 days salary for each completed year of service, encashment of leave at the end of the tenure and provident fund will not be included in the computation of salary to the extent the same are not taxable under IT Act.
Special Ex-Gratia	• ₹ 0.06 crores per month payable at the discretion of the management and Managing Director

The following table set forth the compensation paid by our Company to the Executive Directors during Fiscals 2024, 2023, and 2022 and the period starting from April 1, 2024 till the date of this Placement Document:

(₹ in crores)

Name of the Director	Remuneration			
	For the period from April 1, 2024, till November 30, 2024	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Mahavir Prasad Agarwal#	1.31	1.50	1.38	1.28
Rajat Agrawal	4.40	3.19	2.71	1.28
Yogesh Malhotra	4.39	8.15	4.06	2.02
Sunil Kansal*	0.11	Nil	Nil	Nil

#Mahavir Prasad Agarwal resigned from the Board with effect from October 5, 2024
**Sunil Kansal was appointed on the Board with effect from October 4, 2024*

For further details of compensation paid to our Executive Directors for Fiscals 2024, 2023, and 2022, see "*Related Party Transactions*" on page 110.

Remuneration of Non-executive and Independent Directors

Our Company has paid ₹0.01 crores to the Non-executive and Independent Directors as sitting fees from October 2024. Except for reimbursement of travelling expenses to the Directors, the Non-executive and Independent Directors have not received remuneration in any form during the Fiscals 2024, 2023 and 2022.

Prohibition by SEBI or Other Governmental Authorities

None of the Directors nor any of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

None of our Directors or Promoters have been declared as a 'fraudulent borrower' by lending banks or financial institutions or consortiums

Corporate Governance

As on the date of this Placement Document, we have six Directors on our Board, which comprises one Chairman cum Managing Director, two Whole-time Directors and three Independent Directors. Further, we have one woman Director, who is an Independent Director. Our Company is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations and Companies Act in relation to the composition of our Board and constitution of committees thereof.

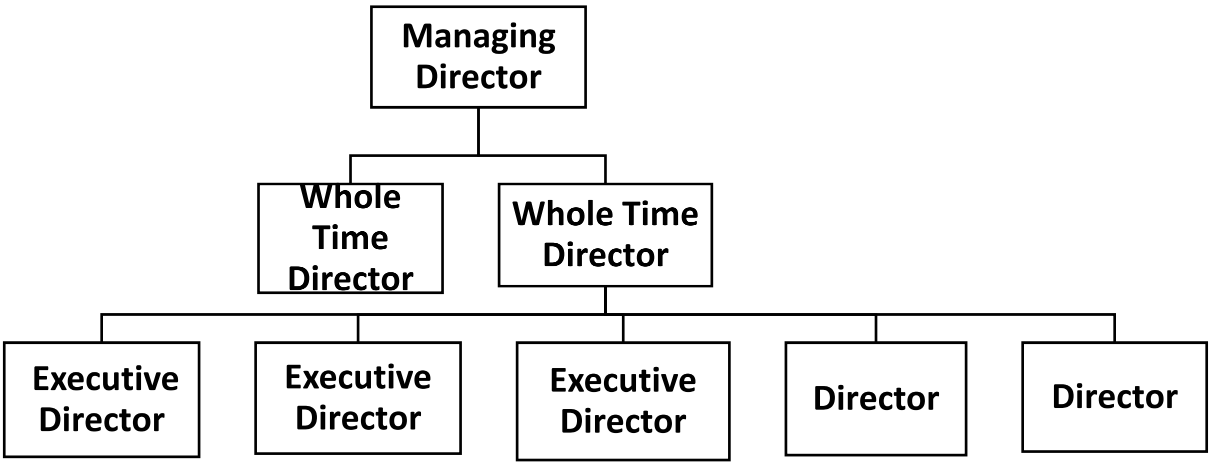
Committees of the Board of Directors

Our Company has constituted the following eight committees in terms of the SEBI Listing Regulations and the Companies Act, each of which functions in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations.

The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

Name of the Committee	Members
Audit Committee	Chanchal Chadha Phadnis (Chairperson) Satish Kumar Agrawal Ashok Jain
Nomination and Remuneration Committee	Chanchal Chadha Phadnis (Chairperson) Satish Kumar Agrawal Ashok Jain
Stakeholders' Relationship Committee	Chanchal Chadha Phadnis (Chairperson) Rajat Agrawal Yogesh Malhotra
Corporate Social Responsibility Committee	Chanchal Chadha Phadnis (Chairperson) Rajat Agrawal Yogesh Malhotra
Finance Committee	Chanchal Chadha Phadnis Rajat Agrawal Yogesh Malhotra
Risk Management Committee	Chanchal Chadha Phadnis (Chairperson) Rajat Agrawal Yogesh Malhotra
Compensation Committee	Chanchal Chadha Phadnis (Chairperson) Satish Kumar Agrawal Ashok Jain
Investment Committee	Chanchal Chadha Phadnis (Chairperson) Rajat Agrawal Yogesh Malhotra

Management Organization Structure



Senior Management

Key Managerial Personnel of our Company

The following table sets forth the details of our key managerial personnel, other than our Chairman cum Managing Director, Rajat Agrawal, our Whole-time director and Chief Executive Officer, Yogesh Malhotra and our Whole time Director and Chief Financial Officer, Sunil Kansal whose details are provided in "- *Brief profiles of our Directors*" on page 231

Name	**Designation**	**Date of appointment**
Nitin Gupta	Company Secretary and Compliance Officer	May 21, 2016

Members of Senior Management of our Company

In addition to Rajat Agrawal , our Chairman cum Managing Director, Yogesh Malhotra , our Whole time Director and Chief Executive Officer and Sunil Kansal, our Whole time Director and Chief Financial Officer , whose details are provided in *"- Brief profiles of our Directors*" on page 231, and Nitin Gupta, our Company Secretary and Compliance Officer of our Company, whose details are set out in "- *Key Managerial Personnel of our Company*" on page 235, the details of other members of Senior Management are given below:

Name of the members of Senior Management	**Designation**	**Date of appointment**
Naveen Prakash Sharma	Executive Director*	November 1, 2006
Vijay Kumar Pareek	Executive Director*	September 29, 2012
Rajeev Surana	Executive Director*	October 10, 2018
Ajay Thapliyal	Director*	June 5, 2017
Sandeep Choudhary	Director*	November 23, 2009

**Not a Board Position in terms of Companies Act, 2013*

Status of Key Managerial Personnel and Senior Management

As on the date of this Placement Document, all Key Managerial Personnel and members of our Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel, Senior Management and Directors

As on the date of this Placement Document, none of our Key Managerial Personnel or the Senior Management are related to each other or to the Directors of our Company.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

As on the date of this Placement Document, except as disclosed under "– *Shareholding of our Directors in our Company*" on page 232, and as disclosed below, none of our other Key Managerial Personnel and Senior Management hold any Equity Shares in our Company:

Name	**Designation**	**Number of Equity Shares**	**Percentage of the pre-Issue paid up share capital (%)**
Naveen Prakash Sharma	Executive director*	6,860	0.01
Vijay Kumar Pareek	Executive director*	35,000	0.05
Sandeep Choudhary	Director*	1,586	Negligible
Nitin Gupta	Compliance Officer and Company Secretary	10	Negligible

**Not a Board Position in terms of Companies Act, 2013*

Interests of Key Managerial Personnel and Senior Management

Other than as disclosed in "*Related Party Transactions" and "- Interest of Directors of Company*" on pages 232 and 110, respectively, and the extent of (a) the Equity Shares held by them directly or indirectly in our Company and any dividend payable to them and other distributions in respect of such Equity Shares; (b) the options under the Gravita SAR 2017 held by them; (c) their remuneration and benefits to which they are entitled to as per their terms of appointment; and (d) reimbursement of expenses incurred by them during the ordinary course of business our Key Managerial Personnel or members of our Senior Management do not have any other interest in the Company.

There are no outstanding transactions, other than in the ordinary course of business undertaken by our Company in which the Senior Management were interested parties.

None of the Key Management Personnel or Senior Management Personnel have taken any loans from our Company. Further, other than as disclosed in "*Related Party Transactions*", on page 110 of this Placement Document, our Key Managerial Personnel or members of our Senior Management are not interested in any contract, agreement or arrangement entered into by the Company and no payments have been made in respect of these contracts, agreements or arrangements or are proposed to be made.

Employees stock option schemes

There are no outstanding options granted to our Directors. Our Key Managerial Personnel and members of Senior Management do not hold any outstanding stock options under the Gravita SAR 2017, as on the date of this Placement Document.

Other confirmations

1. Except as otherwise stated above in "– *Interest of our Directors*" and "– *Interest of Key Managerial Personnel, and Senior Management*", none of the Directors, Key Managerial Personnel or members of the Senior Management, have any financial or other material interest in the Issue.

2. None of our Company, our Directors or Promoter has been identified as Wilful Defaulters.

3. Neither our Promoter nor our Directors has been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

4. None of our Company, our Directors or Promoter is debarred from accessing capital markets under any order or direction made by SEBI.

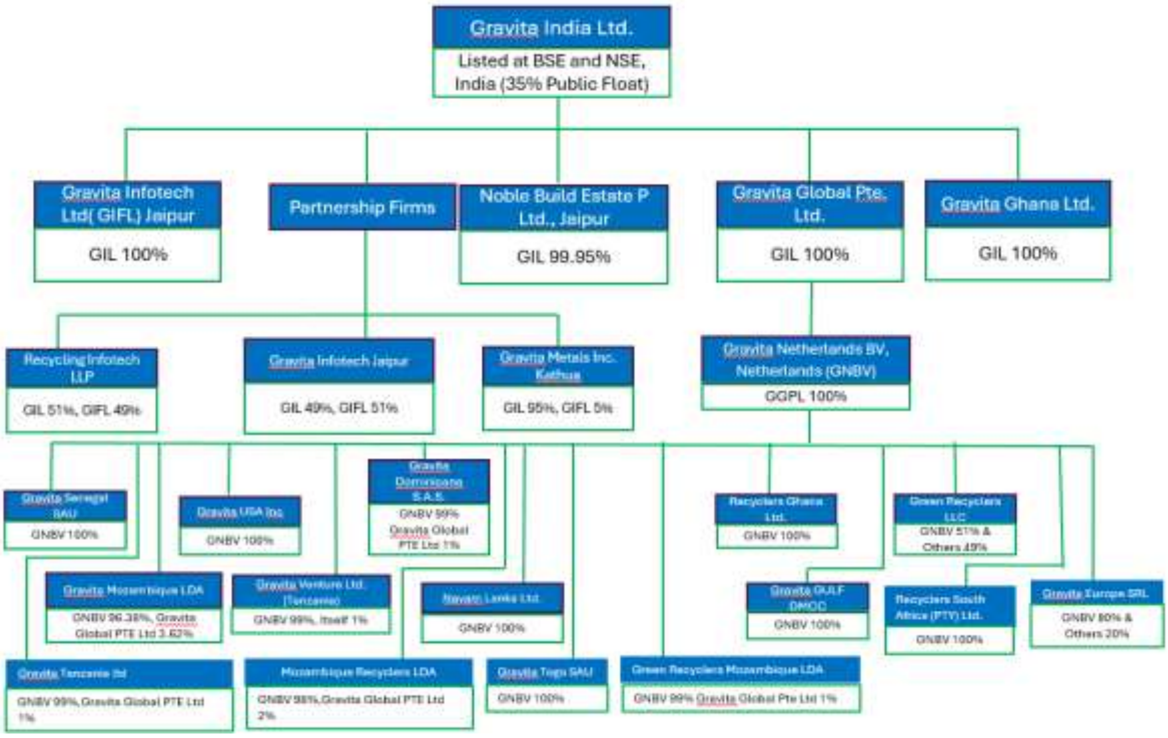
5. None of the Directors, Promoters, Key Managerial Personnel or members of the Senior Management of our Company intend to subscribe to the Issue.

6. No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations are applicable to our Company and our employees and requires our Company to formulate and implement a code of internal procedures and conduct for the fair disclosure of unpublished price sensitive information and the prevention of insider trading. In compliance with the same, our Company has adopted a code of conduct to regulate, monitor and report trading in securities of our Company by insiders, as approved by our Board on March 31, 2019 which lays down the procedure for prevention of insider trading and procedure for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations. Our Company Secretary acts as the compliance officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

Organisational Structure



SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company as on September 30, 2024, is as follows:

Summary statement showing the shareholding pattern of our Company

Category of Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total No. of Shares Held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of equity shares held in dematerialized form
(A) Promoter & Promoter Group	2	4,37,47,814	4,37,47,814	63.37	4,37,47,814	63.37	4,37,47,814
(B) Public	97,866	2,42,90,100	2,42,90,100	35.18	2,42,90,100	35.18	2,42,86,974
(C1) Shares underlying DRs	-	-	-	0.00	-	0.00	-
(C2) Shares held by Employees Trusts	1	10,00,000	10,00,000	1.45	10,00,000	1.45	10,00,000
(C) Non-Promoter-Non-Public	1	10,00,000	10,00,000	0.00	10,00,000	1.45	10,00,000
Total:	97,869	6,90,37,914	6,90,37,914	100.00	6,90,37,914	100.00	6,90,34,788

Grand Total=A+B+C

Statement showing shareholding pattern of the Promoter and Promoter Group

Category & Name of the Shareholder	**No. of Shareholders**	**No. of fully paid-up equity shares held**	**Total No. of Shares Held**	**Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2)**	**Number of equity shares held in dematerialized form**
(A1) Indian					
Individuals/Hindu undivided Family	1	2,63,99,789	2,63,99,789	38.24	2,63,99,789
Rajat Agrawal	1	2,63,99,789	2,63,99,789	38.24	2,63,99,789
Mahavir Prasad Agrawal					
Any Other (Specify)	1	1,73,48,025	1,73,48,025	25.13	1,73,48,025
Rajat Agrawal Trustee of Agrawal Family Private Trust	1	1,73,48,025	1,73,48,025	25.13	1,73,48,025
Sub-Total (A1)	2	4,37,47,814	4,37,47,814	63.37	4,37,47,814
(A2) Foreign	-	-	-	0.00	-
Total Shareholding of Promoter and Promoter Group (A)=(A1+A2)	2	4,37,47,814	4,37,47,814	63.37	4,37,47,814

Statement showing shareholding pattern of the Public shareholders

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total No. of Shares Held	Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2)	No. of voting rights	Total as a % of Total Voting Rights	Number of equity shares held in dematerialized form
B1) Institutions	0	0		0.00		0.00	
B2) Institutions (Domestic)							
Mutual Funds	7	8,62,554	8,62,554	1.25	8,62,554	1.25	8,62,554
Alternate Investment Funds	15	12,77,301	12,77,301	1.85	12,77,301	1.85	12,77,301
Insurance Companies	2	74,447	74,447	0.11	74,447	0.11	74,447
NBFCs registered with RBI	1	2,789	2,789	0.00	2,789	0.00	2,789
Sub Total B1	**25**	**22,17,091**	**22,17,091**	**3.21**	**22,17,091**	**3.21**	**22,17,091**
B3) Institutions (Foreign)							
Foreign Portfolio Investors	107	94,05,750	94,05,750	13.62	94,05,750	13.62	94,05,750
Goldman Sachs Funds - Goldman Sachs India Equity P	1	13,82,206	13,82,206	2.00	13,82,206	2.00	13,82,206
Oxbow Master Fund Limited	1	11,67,186	11,67,186	1.69	11,67,186	1.69	11,67,186
Jupiter India Fund	1	7,27,691	7,27,691	1.05	7,27,691	1.05	7,27,691
Abu Dhabi Investment Authority – Monsoon	1	7,94,073	7,94,073	1.15	7,94,073	1.15	7,94,073
Nomura India Investment Fund Mother Fund	1	10,21,076	10,21,076	1.48	10,21,076	1.48	10,21,076
Foreign Portfolio Investors Category II	**11**	**2,67,468**	**2,67,468**	**0.39**	**2,67,468**	**0.39**	**2,67,468**
Sub Total B2	**118**	**96,73,218**	**96,73,218**	**14.01**	**96,73,218**	**14.01**	**96,73,218**
B4) Central Government/ State Government(s)/ President of India	0	0		0.00		0.00	
B5) Non-Institutions	0	0		0.00		0.00	
Key Managerial Personnel	3	23,851	23,851	0.03	23,851	0.03	23,851
Investor Education and Protection Fund (IEPF)	1	1,702	1,702	0.00	1,702	0.00	1,702
Resident Individuals holding nominal share capital up to Rs. 0.2 crores	93,383	95,44,472	95,44,472	13.82	95,44,472	13.82	95,41,346
Resident Individuals holding nominal share capital in excess of Rs. 0.2 crores	1	3,40,000	3,40,000	0.49	3,40,000	0.49	3,40,000
Bodies Corporate	596	12,26,440	12,26,440	1.78	12,26,440	1.78	12,26,440
Non-Resident Indian (NRI)	2,463	6,92,784	6,92,784	1.00	6,92,784	1.00	6,92,784
Any other	**1,276**	**5,70,542**	**5,70,542**	**0.83**	**5,70,542**	**0.83**	**5,70,542**
Clearing Members	8	42,493	42,493	0.06	42,493	0.06	42,493

Category & Name of the Shareholder	No. of Shareholders	No. of fully paid-up equity shares held	Total No. of Shares Held	Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2)	No. of voting rights	Total as a % of Total Voting Rights	Number of equity shares held in dematerialized form
HUF	1,264	4,55,610	4,55,610	0.66	4,55,610	0.66	4,55,610
Trusts	4	72,439	72,439	0.10	72,439	0.10	72,439
Sub Total B4	**97,723**	**1,23,99,791**	**1,23,99,791**	**17.96**	**1,23,99,791**	**17.96**	**1,23,96,665**
B=B1+B2+B3+B4	**97,866**	**2,42,90,100**	**2,42,90,100**	**35.18**	**2,42,90,100**	**35.18**	**2,42,86,974**

Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder

Category & Name of the Shareholder	No. of Shareholder (I)	No. of fully paid up equity shares held (II)	Total No. of Shares Held (III=I+II)	Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2) (IV)	Number of equity shares held in dematerialized form
(C1) Custodian/DR Holder	0	0		0.00	
(C2) Yagyadutta Sharma on behalf of Gravita Employee Welfare Trust	1	10,00,000	10,00,000	1.45	10,00,000
Sub Total C2	1	10,00,000	10,00,000	1.45	10,00,000
C=C1+C2	1	10,00,000	10,00,000	1.45	10,00,000

Note:

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the Company.

Sl. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
1.	NIL	NIL	NIL	NIL	NIL

Statement showing details of significant beneficial owners

Sr. No.	Details of the SBO		Details of the registered owner		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:					Details of creation/ acquisition of significant beneficial interest
					Whether by virtue of:					
	Name	Nationality	Name	Nationality	Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
1	Mahavir Prasad Agarwal	India	Rajat Agrawal Trustee On Behalf Of	India	25	25	25	No	No	13/05/2016

			Agrawal Family Private Trust							
2	Rajat Agrawal	India	Rajat Agrawal Trustee On Behalf Of Agrawal Family Private Trust	India	63	63	63	No	No	28/05/2018

Note:
* In case the nature of the holiday/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.
# This column shall have the details as specified by the listed entity under Form No. BEN-2 as submitted to the Registrar.

The details of the shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/ unclaimed suspense account, voting rights which are frozen, etc.

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that applied in the issue were required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" beginning on pages 263 and 270 respectively.*

Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs on a private placement basis provided that certain conditions are met by such Company. Some of these conditions are set out below:

- the Shareholders of the Issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the abovementioned special resolution; except for Equity Shares allotted during the preceding one year from the date of this Placement Document;

- invitation to apply in the QIP must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the issuer shall have completed allotments with respect to any earlier offer or invitation made by the issuer or shall have withdrawn or abandoned such invitation or offer made by the issuer, except as permitted under the Companies Act;

- the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Placement Document), the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited.

- the Promoters or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016;

- In accordance with the SEBI ICDR Regulations, securities will be issued, and allotment shall be made only in dematerialized form to the allottees; and

- the promoter and directors of the issuer are not Fugitive Economic Offenders

At least 10% of the equity shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated October 4, 2024 and our Shareholders through a special resolution by a postal ballot dated November 22, 2024 have authorised our Board to decide the quantum of discount up to 5 % of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs. For details of Allotment, see **"*Pricing and Allocation – Designated Date and Allotment of Equity Shares*"** below.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on this Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25 crores; and

- five, where the issue size is greater than ₹25 crore.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Application Form – Bid Process***" on beginning page 253.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of the Preliminary Placement Document and this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on October 4, 2024 and our Shareholders through a special resolution by a postal ballot dated November 22, 2024.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States, and may not be offered, sold or delivered in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 263 and 270, respectively.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold. And Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On Bid / Issue Opening Date, our Company in consultation with the Book Running Lead Managers shall circulate serially numbered copies of the Preliminary Placement Document and the serially numbered

Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act and the PAS Rules.

2. The list of QIBs to whom the Application Form is delivered has been determined by our Company in consultation with the Book Running Lead Managers. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount was to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. The Application Form was required to be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB were required to submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids were being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Eligible QIBs were required to submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the Book Running Lead Managers.

5. Bidders were required to indicate the following in the Application Form:

   - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and bank account details;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

   - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;

   - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

   - equity shares held by the Bidder in our Company prior to the Issue;

   - it has agreed to all the representations, warranties, acknowledgements and agreements set forth in or incorporated by reference in the Application Form, which will include, but will not be limited to, the representations, warranties, acknowledgements and agreements set forth in the "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 2, 5, 245, 263, and 270, respectively, which will be incorporated by reference; and

- a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, and it has agreed to certain other representations set forth in the Preliminary Placement Document and in the Application Form.

***NOTE**: Eligible FPIs were required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds were specifically required to state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not required to be treated as multiple Bids provided that the Bids clearly indicated the scheme for which the Bid was been made. Application by various schemes or funds of a Mutual Fund were required to be treated as one application from the Mutual Fund. Bidders were advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable laws.*

6. Eligible QIBs were required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "***Gravita India Limited- QIP Escrow Account***" with the Escrow Bank, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was required to be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders was required to be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever was later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder was not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "*Issue Procedure– Refunds*" on page 258.

7. Once a duly completed Application Form was submitted by a Bidder and the Application Amount wastransferred to the Escrow Account, such application constituted an irrevocable offer and the Bid could not be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount was required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date has been notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

8. The Eligible QIBs acknowledged that in accordance with the requirements of the Companies Act, upon Allocation, our Company is required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and consented to such disclosure, if any Equity Shares are allocated to it.

9. The Bids made by asset management companies or custodians of Mutual Funds were required to specifically state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

10. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Companyhas, in consultation with Book Running Lead Managers determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers, on behalf of our Company, sent the serially numbered CAN and this Placement Document to the Successful Bidders. The dispatch of a CAN, and this Placement Document (when dispatched) to a Successful Bidder deemed to be a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN contains details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation has been at the absolute discretion of our Company and shall be in consultation with the Book Running Lead Managers.**

11. The Bidder acknowledged that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

12. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

13. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

14. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

15. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

16. Our Company will then apply for the final trading approvals from the Stock Exchanges.

17. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

18. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

19. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "- *Refunds*" on page 258.

Eligible Qualified Institutional Buyers

Only Eligible QIBs as defined under Regulation 2 (1) (ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, are considered as Eligible QIBs. However, are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Non-Debt Rules are considered as Eligible QIBs. FVCIs were permitted to participate in the Issue. Currently, QIBs, who were eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions; (which are resident in India)
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹25 crore;
- provident funds with minimum corpus of ₹25 crore;
- public financial institutions; as defined under Section 2(72) of the Companies Act
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs were required to independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS WERE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control) should not exceed 10.00% of post-Issue Equity Share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Further, in terms of the FEMA Rules, the total holding of each FPI or an investor group shall be below 10.00% of the post-issue total paid-up Equity Share capital of our Company on a fully diluted basis.

Further, with effect from April 1, 2020, the limit of total holdings of all Eligible FPIs put together shall be the sectoral cap applicable to our Company, currently being 50.00% under the automatic route. As of September 30, 2024, the aggregate FPI shareholding in our Company is 15.01% of our Company's paid-up Equity Share capital on a fully diluted basis. For further details, see "*Shareholding Pattern of our Company*" on page 239.

In case the holding of an FPI including its investor group increases to 10.00% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. As per the circular issued by SEBI dated November 5, 2019 (circular no. IMD/FPI&C/CIR/P/2019/124), these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Two or more subscribers of Offshore Derivative Instruments having a common beneficial owner shall be considered together as a single subscriber of the Offshore Derivative Instruments. In the event an investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI and Offshore Derivative Instruments investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed Central Depository Services (India) Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3.00% below the overall limit a red flag shall be activated. The designated depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars / public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 263 and 270, respectively.

Please note that participation by non-residents in the Issue is restricted to participation by FPIs under Schedule II of the FEMA Rules, in the Issue subject to limit of the individual holding of an FPI below 10.00% of the post Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100.00% (sectoral limit of the sector in which our Company operates) of the paid-up capital of our Company. Other non-residents such as FVCIs are not permitted to participate in the Issue.

Restriction on Allotment.

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

Our Company, the Book Running Lead Managers and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them did not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs were required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue were Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof wereAllotted to other Eligible QIBs.

Note: Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs could only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. The Application Form were required be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB was required to submit an unsigned copy of the Application Form, as long as the Bid Amount was paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB were deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "***Notice to Investors***", "***Representations by Investors***" and "***Selling Restrictions***" beginning on pages 2, 5 and 263, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);

3. Each Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

5. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

6. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;

7. Each Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

8. Each Eligible QIB confirms that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;

9. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;

10. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "*proposed Allottees*" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as "*proposed Allottees*" in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

    a. QIBs "*belonging to the same group*" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

12. The Eligible QIBs acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

13. Each Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

14. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

15. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulation S and is not an affiliate of the Company or the Book Running Lead Managers or a person acting on behalf of such an affiliate

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy.

ELIGIBLE QIBs WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBER AND ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM, IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRE BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE ALSO REQUIREDTO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document (when dispatched) by our Company (by itself or through the Book Running Lead Managers) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form were required to include details of the relevant Escrow Account into which the Application Amounts were required to have to be deposited. The Application Amount was required to be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Website and Email	Telephone
Motilal Oswal Investment Advisors Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400 025, Maharashtra, India	Subodh Mallya/Rohan Aerande	**Website:** www.motilaloswalgroup.com **E-mail:** gilqip@motilaloswal.com	+ 91 22 7193 4380
Kotak Mahindra Capital Company Limited	1st Floor, 27 BKC, Plot No. C – 27 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India	Ganesh Rane	**Website**: www.investmentbank.kotak.com **E-mail**: gil.qip@kotak.com	+91 22 4336 0000

The Book Running Lead Managers was not required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders Bidding in the Issue were required to pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "*Gravita India Limited – QIP Escrow Account*" with Amount only through electronic transfer of funds from their own bank account the Escrow Bank, in terms of the Escrow Agreement entered among our Company, the Book Running Lead Managers and the Escrow Bank. Each Bidder will be required to deposit the Application Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bid/ Issue Period. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own account.

Note: Payments were be made only through electronic fund transfer. Payments made through cash or cheques were liable to be rejected. Further, if the payment was not made favouring the Escrow Account, the Application Form was liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "*Gravita India Limited QIP Escrow Account*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount in terms of the Preliminary Placement Document. Notwithstanding the above, in the event a Bidder was not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "*Issue Procedure – Refunds*" on page 258.

Bank Account Details

Each Bidder was required to mention the details of the bank account from which the payment of Application Amount was being made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, '*stock exchange*' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company has offered a discount of 5% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through special resolution by a postal ballot dated November 22, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the Book Running Lead Managers, has determined determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company offered a discount of 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our shareholders pursuant to special resolution by a postal ballot dated November 22, 2024.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders has been made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allotment Notice or CAN

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, have decided the Successful Bidders to whom the serially numbered CAN have been dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allocated to them has been be notified to such Successful Bidders. The CAN included include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN included the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders have also been sent a serially numbered Placement Document (which included the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document (when dispatched), to the respective Successful Bidders shall be deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board or the Fund Raising Committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Managers.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in section "*Notice to Investors*" on page 2 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of this Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees. Our Company shall further make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees,

and the percentage of their post-Issue shareholding in our Company is required to be disclosed in this Placement Document.

5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act, whichever is later.

7. After finalization of the Issue Price, our Company has updated this Placement Document with the Issue details and is filing with the Stock Exchanges as this Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company.

8. Pursuant to the circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form were required to be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card was required to be submitted with the Application Form. Further, the Application Forms without this information were considered incomplete and are liable to be rejected. It is to be specifically noted that applicants were not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder was required to mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, could have rejected Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "*Issue Procedure" – "Refund*" on page 258

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue was required tohave at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL.

The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK UP

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The Book Running Lead Managers have entered into the Placement Agreement dated December 16,2024 with our Company, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable effort's basis.

The Equity Shares will be placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Book Running Lead Manager, and it is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Preliminary Placement Document and this Placement Document has not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public in India or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in this Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are made. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "***Selling Restrictions***" on page 263. See "***Transfer Restrictions***" on page 270 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers or their affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "***Offshore Derivative Instruments***" beginning on page 12.

From time to time, the Book Running Lead Managers, and their affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their affiliates and associates.

Lock in

Under the Placement Agreement, our Company has undertaken that it will not, for a period commencing from the date hereof and ending 90 days from the date of Allotment, without the prior written consent of the Book Running Lead Managers, directly or indirectly:

a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for Equity Share (including, without limitation, securities convertible into or exercisable for Equity Shares which may be deemed to be beneficially owned); or

b) file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or

c) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares, regardless, whether any of the transaction is to be settled by the delivery of Equity Shares or other securities convertible into or exercisable or exchangeable for the Equity Shares, in cash or otherwise; or

d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Shares in any depository receipt facility; or

e) deposit Equity Shares with any other depositary in connection with a depositary receipt facility,

f) publicly announce any intention to enter into any transaction described in (a) to (c) above, whether any such transaction described in (a) to (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise;

However, the foregoing restrictions shall not be applicable to the

(i) the issuance of the Equity Shares pursuant to this Issue;
(ii) preferential issuance of Equity Shares or any other securities to the Promoters of the Company;
(iii) a bonus issue in accordance with applicable laws; and
(iv) any transaction required by law or an order of a court of law or a statutory authority.

Further, subject to approval of our Board and the Shareholders of our Company, our Company may undertake a preferential issue of its Equity Shares to Promoters, HNIs and other investors.

Promoter's Lock-up

Our Promoters and members of the Promoter Group agree that without the prior written consent of the Book Running Lead Managers, they shall not, announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date of the Preliminary Placement Document and ending 30 days from the date of the filing of the Placement Document (both dates inclusive) ("**Lock-up Period**") directly or indirectly: (1) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Shares or any other securities of our Company substantially similar to the Equity Shares acquired or purchased during the Lock-Up Period, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired; (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (1) or (2) above is to be settled by delivery of the Equity Shares or such other securities, in cash or otherwise, (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in any depository receipt facility, or (4) publicly announce its intention to enter into the transactions referred to in (1) to (3) above.

Provided, that none of the foregoing restrictions shall restrict –

(i) the inter-se transfer of any Equity Shares between the Promoters and members of the Promoter Group, provided that the lock-up shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the Lock-up Period set out herein has expired;

(ii) the bona fide pledge of lock-up Equity Shares, as collateral for loans as per the normal commercial terms entered into, in the ordinary course of business of the Company, where any arrangement for any such encumbrance as collateral is undertaken with the prior written approval of the Book Running Lead Managers; and

(iii) a preferential issue of Equity Shares or any other securities of our Company, subject to the approval of our Board and the Shareholders of our Company, to our Promoters, in one or more tranches.

In addition, the Promoters shall not, without the prior written consent of the Book Running Lead Managers, during the Lock-up Period, make any demand for or exercise any right with respect to, the registration of any Equity Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, hereinafter acquired.

be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors" and "Representations by Investors" on pages 2 and 5, respectively.

General

No action has been taken or will be taken by our Company or the Book Running Lead Managers that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made only to Eligible QIBs through a QIP, in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgment and agreements as described in this section and under "*Notice to Investors*", "*Representations by Investors*" and "*Transfer Restrictions*" beginning on pages 2, 5 and 270, respectively.

Republic of India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The offering of Equity Shares pursuant to this Placement Document by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public at large about this Issue is prohibited.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares that shall be offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Placement Document. The securities to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Member State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Running Lead Managers of such fact in writing and has received the consent of the Book Running Lead Managers in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This document and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

The public of the republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. the interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. no regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius financial services commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

Qatar (excluding the Qatar Financial Centre)

This Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Book Running Lead Managers are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Book Running Lead Managers are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Placement Document is strictly private and confidential. This Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

Singapore

This Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(b) where no consideration is or will be given for the transfer;
(c) where the transfer is by operation of law;
(d) as specified in Section 276(7) of the SFA; or
(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS

Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Placement Document is directed only at relevant persons. Other persons should not act on the Placement Document or any of its contents. The Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States of America

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in '*offshore transactions*', as defined in and in reliance on Regulations S and the applicable laws of the jurisdiction where such offers and sales are made. For further information, see "*Transfer Restrictions and Purchaser Representations*" on page 270.

Other Jurisdictions

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchange, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 263.

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "***Selling Restrictions***" beginning on page 263 and the following resale restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Placement Document and will be provided access to this Placement Document which it has read in its entirety.

- It agrees to indemnify and hold our Company and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold our Company or the Book Running Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by our Company.

It acknowledges that the Company and the Book Running Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the Book Running Lead Managers. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the Book Running Lead Managers or any of their respective affiliates or advisors

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity

Stock Exchanges Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, respectively, in the manner specified by SEBI. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

BSE is one of the stock exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on- market" are exchanged through the National Securities Clearing Corporation Limited. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("**BOLT**") facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the system driven disclosures

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹0.1 crore over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share capital

The authorized share capital of our Company is ₹ 17.00 crores divided into 8,50,00,000 Equity Shares of ₹ 2 each. As on the date of this Placement Document, 69,037,914 Equity Shares have been issued, subscribed and paid up. For further details, see "*Capital Structure*" beginning on page 103.

General meetings of shareholders

All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company read with Section 100 of the Companies Act, 2013, may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, then the Vice –Chairman shall be entitled to take the chair. If there is no such Vice Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM of shareholders held each financial year. Under the Companies Act, 2013, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions specified under Section 123 of the Companies Act, 2013 and the rules made thereunder no dividend can be declared or paid by a company for any financial year except (a) out of the profits of the company for that year after providing depreciation, calculated in accordance with the provisions of the Companies Act, 2013; or (b) out of the profits of the company for any previous financial year(s) arrived at in accordance with the Companies Act, 2013 and remaining undistributed; or (c) out of both; or (d) out of money provided by the Central Government or a state Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

Further, as per the Companies Act, 2013, read with the Companies (Declaration and Payment of Dividend) Rules, 2014, in case of the inadequacy or absence of profits in any year, a company may declare dividend out of the accumulated profits earned in previous years and transferred to the free reserves, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; provided, this rule shall not apply to a company, which has not declared any dividend in each of the three preceding financial years; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of the paid up share capital of the company and free reserves as per its most recent audited financial statements; (c) the amount so drawn shall be first utilised to set off the losses incurred by the company in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of the reserves of our Company after such withdrawal shall not fall below 15% of the company's paid up share capital as per its most recent audited financial statements.

These dividends are required to be deposited into a separate bank account within five days of the declaration of such dividend and paid to shareholders within 30 days of the date of its declaration.

The Articles of Association provide that our Company in its general meeting may declare dividends to be paid to the members according to their shareholding. The dividend shall not exceed the amount recommended by our Board. Further, our Board may from time to time pay the members interim dividend as may appear to them to be justified. No dividend may be paid otherwise than out of the profits of our Company, arrived at in the manner provided under the Companies Act, 2013.

The dividends of our Company shall be divisible among the members in proportion of the amount of capital paid up or credited as paid-up on the Equity Shares, held by them for the respective period of the holding of the Equity Shares or both. However, our Board may retain any dividends on which our Company may have a lien and may apply the same towards the satisfaction of the debts or liabilities in respect of which the lien exists. All dividends shall be apportioned and paid on the amounts paid or credited as paid on the Equity Shares during any portion or portions of the period in respect of which the dividend is paid but if any Share is issued on terms providing that it shall rank for dividends as from a particular date, such Share shall rank for dividend accordingly. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Equity Shares while any money may be due or owing from him to the company and our Board may deduct from the interest or dividend to any member all such sums of money so due from him to our Company. A transfer of Equity Shares shall not pass the right to any dividend declared therein before the registration of the transfer.

The Companies Act, 2013 states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account. Any dividend amount (along with interest) that remains unpaid or unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government. In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years, shall be transferred by the Company to the Investor Education and Protection Fund along with a statement containing requisite details.

Capitalization of reserves and issue of bonus shares

As provided in our Articles of Association, our directors may from time to time set apart any and such portion of the profits of our Company as they think fit, as reserve fund applicable at their discretion for the liquidation of any debentures, debts or other liabilities of our Company, for equalization of dividends, or for any other purposes as our Company with full power to employ the assets constituting the reserve fund in the business of our Company and without being bound to keep the same separate from the other assets. Our Directors may also carry forward any profit which they may think prudent not to divide, without setting them aside as a reserve.

The Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend

Any issue of bonus shares by a listed company would be subject to the guidelines issued by the SEBI. The relevant SEBI guidelines prescribe that no company shall, pending conversion of compulsorily convertible securities, issue any shares by way of bonus unless a similar benefit is extended to the holders of such compulsorily convertible securities, through a proportionate reservation of shares. Further, in order to issue bonus shares, a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption thereof and should have sufficient reason to believe that it has not defaulted in respect of any statutory dues of the employees. The declaration of bonus shares in lieu of a dividend cannot be made. A bonus issue may be made out of free reserves built out of genuine profits or share premium collected in cash and not from reserves created by revaluation of fixed assets.

The issue of bonus shares must take place within fifteen days from the date of approval by the board, if the articles of association of a company do not require such company to seek shareholders' approval for capitalization of profits or reserves for making bonus issues. If a company is required to seek shareholders' approval for capitalization of profits or reserves for making bonus issues, then the bonus issue should be implemented within two months from the date of the board meeting wherein the decision to issue bonus shares was taken subject to shareholders' approval.

Pre-emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, 2013, our Company can increase its share capital by issuing new equity shares. Such new equity shares must be offered to existing shareholders registered on the record date in proportion to the amount paid-up on those equity shares at that date. The offer shall be made by notice specifying the number of equity shares offered and the date (being not less than fifteen days and not exceeding thirty days from the date of the offer) after which the offer, if not accepted, will be deemed to have been declined. After such date the Board may dispose of the equity shares offered in respect of which no acceptance has been received, in such manner as they think is not disadvantageous to the shareholders and our Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares in favour of any other person provided that the person in whose favour such shares have been renounced is approved by the Board in their absolute discretion.

However, under the provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, new shares may be offered to any persons, whether or not those persons include existing shareholders or employees to whom shares are allotted under a scheme of employees stock options, either for cash or for consideration other than cash, if a special resolution to that effect is passed by the shareholders of our Company in a general meeting. The issue of the Equity Shares pursuant to the Issue has been approved by a special resolution of our Company's shareholders and such shareholders have waived their pre-emptive rights with respect to such Equity Shares.

Our Company's issued share capital may, among other things, be increased by the exercise of warrants attached to any of our Company's securities entitling the holder to subscribe for shares. Our Articles of Association provide that our Company may consolidate or divide all or any of our Company's share capital into shares of larger amount than its existing shares. Our Company may convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination. Our Company can also alter its share capital by way of a reduction of capital, in accordance with the Companies Act, 2013.

Every year our Company is required to hold an annual general meeting in addition to any other meetings. Further, our Board may, whenever it thinks fit, call an extraordinary general meeting and shall, on the requisition of a number of members who constitute not less than one-tenth of the paid-up capital of our Company, proceed to call an extraordinary general meeting. Not less than 21 days' clear notice in writing of the general meeting is to be given, but shorter notice may be given if consent in writing is accorded by all the members entitled to vote and in case of any other meetings, with the consent of members holding not less than 95 per cent of such part of the paid-up Share capital of our Company which gives a right to vote at the meeting. For a meeting of the shareholders, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. . No business is to be transacted at the general meeting unless the requisite quorum is present at the commencement of the same. If the quorum is not present within half an hour of the time appointed for a meeting, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place. The Articles of Association further provide that no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

The Chairman of our Board shall be entitled to take the chair at every general meeting or, if there is no such chairman, or if at any general meeting he is not present within fifteen minutes after the time appointed for holding such general meeting or is unwilling to act as Chairman, the Directors present shall elect one of them to be the chairman of the meeting. If no Director is present or if all the Directors present decline to take the chair, then the members present shall choose one amongst themselves to be chairman of the general meeting.

A company intending to pass a resolution relating to matters such as, but not limited to, amendments to the objects clause of the Memorandum of Association, a variation of the rights attached to a class of shares or debentures or other securities, buy-backs of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the notice. Postal ballot includes voting by electronic mode.

Voting Rights

Every member present in person shall have one vote on poll and the member present in person or by proxy shall have one vote for each Share of our Company held by him, subject to any rights or restrictions for the time being attached to any class or classes of Equity Shares. The Articles of Association provide that votes may be given by proxies in a manner as authorized under the Articles of Association.

The instrument appointing a proxy is required to be lodged at the registered office at least 48 hours before the time of the meeting. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the Share in respect of which the vote is given provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office of our Company before the general meeting. Provided nevertheless that the chairman of any general meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

No member is entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or to be reckoned in a quorum while any call or other sum payable to our Company in respect of any of the Equity Shares of such member shall remain unpaid, and no member is entitled to be present or to vote at any general meeting in respect of any Equity Share that he has acquired by transfer unless his name is entered as the registered holder of the Equity Share in respect of which he claims to vote, but this shall not affect Equity Shares acquired under a testamentary disposition or by succession to an intestate or under an insolvency or liquidation. Ordinary resolutions may be passed by simple majority of those present and voting and those voting electronically. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

Directors

The Articles of Association provide that the number of Directors shall not be less than three and not be more than fifteen. The Directors shall be appointed by our Company in the general meeting subject to the provisions of the Companies Act, 2013 and the Articles of Association. The Companies Act, 2013 provides that not less than two-thirds of the total number of directors on the board of a company, excluding the independent directors, shall be liable to retire by rotation. One-third of the directors shall automatically retire every year at the annual general meeting and shall be eligible for re-appointment. The directors to retire by rotation shall be decided based on those who have been longest in office, and as between persons appointed on the same day, the same shall be decided by mutual agreement or by draw of lots. The independent directors may be appointed for a maximum of two terms of up to five consecutive years each, however, such directors are eligible for re-appointment after the expiry of three years of ceasing to be an independent director provided that such directors were not, during the three year period, appointed in or associated with the company in any other capacity, either directly or indirectly. Any reappointment of independent directors, inter alia, shall be on the basis of performance evaluation report and requires the approval of the shareholders by way of a special resolution.

Our Board is required to meet at least once every 120 days for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held in every year. The quorum for a meeting of our Board is one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher. However, where it involves a decision on an affirmative vote item, the quorum is required to include an investor Director.

Transfer of Equity Shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with applicable SEBI regulations. These regulations provide the regime for the functioning of the depositories and their participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownerships of shares held through a depository are exempt from stamp duty.

The SEBI requires that for trading and settlement purposes shares should be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange.

The securities of our Company are freely transferable, subject to the provisions of the Companies Act, 2013. If a public company without sufficient cause refuses to register a transfer of shares within thirty days from the date on which the instrument of transfer or intimation of transmission, as the case may be, is delivered to our Company, the transferee may appeal to our Company Law Board seeking to register the transfer. Our Company Law Board is proposed to be replaced with the National Company Law Tribunal with effect from a date that is yet to be notified.

Pursuant to the Listing Agreement, in the event that a transfer of shares is not effected within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, our Company is required to compensate the aggrieved party for the opportunity loss caused by the delay.

A transfer may also be by transmission. Subject to the provisions of the Articles, any person becoming entitled to shares in consequence of the death or insolvency of any member may, upon producing such evidence as may from time to time properly be required by the Board, be registered as a member in respect of such shares, or may, subject to the regulations as to transfer contained in the Articles, transfer such shares. Our Articles of Association provide that our Company shall charge no fee for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or other similar document.

Acquisition by us of our own Equity Shares

A company is prohibited from acquiring its own shares unless the consequent reduction of capital is effected by an approval of at least 75% of its shareholders, voting on it in accordance with the Companies Act, 2013 and sanctioned by the High Court of competent jurisdiction (or the National Company Law Tribunal once it is notified). Subject to certain conditions, a company is prohibited from giving, whether directly or indirectly and whether by means of loan, guarantee, provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person for any shares in our Company or its holding company. However, pursuant to the Companies Act, 2013, a company has been empowered to purchase its own shares or other specified securities out of its free reserves, the securities premium account or the proceeds of any fresh issue of shares or other specified securities (other than the kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back should be authorized by our Articles of Association;
- a special resolution has been passed in a general meeting authorizing the buy-back (in the case of listed companies, by means of a postal ballot);
- the buy-back is limited to 25% of the total paid-up capital and free reserves provided that the buy-back of equity shares in any financial year shall not exceed 25% of its total paid-up equity capital in that financial year;
- the debt owed by our Company is not more than twice the capital and free reserves after such buy-back; and
- the buy-back is in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations 2021, as amended.

A board resolution will constitute sufficient corporate authorization for a buy-back that is for less than 10% of the total paid-up equity capital and free reserves of our Company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of shares or specified securities for six months subject to certain limited exceptions. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be.

A company is also prohibited from purchasing its own shares or specified securities through any subsidiary company including its own subsidiary companies or through any investment company. Further, a company is prohibited from purchasing its own shares or specified securities, if our Company is in default in the repayment of deposit or interest, in the redemption of debentures or preference shares, in payment of dividend to a shareholder, in repayment of any term loan or interest payable thereon to any financial institution or bank or in the event of non-compliance with certain other provisions of the Companies Act, 2013.

Liquidation Rights

Subject to the rights of creditors, of employees and of the holders of any other shares entitled by their terms of issue to preferential repayment over the shares, in the event of winding up of our Company, the holders of the Equity Shares are entitled to be repaid the amounts of capital paid-up or credited as paid-up on such shares. All surplus assets after payments due to employees, the holders of any preference shares and other creditors belong to the holders of the Equity Shares in proportion to the amount paid-up or credited as paid-up on such shares respectively at the commencement of the winding-up.

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors

Gravita India Limited
402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar,
Jaipur, Rajasthan 302004

Date: 16 December 2024

Subject: Statement of special tax benefits ("the Statement") available to Gravita India Limited ("the Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A -Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the SEBI ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 21 November 2024 .

We hereby report that the enclosed Annexure II and III prepared by the Company, initialled by us for identification purpose, states the special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "the Tax Laws"), presently in force in India as on the 16 December 2024 which are defined in Annexure I. These special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure II and III cover the special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and III and its contents is the responsibility of the Management of the Company and has been approved by the Fund raising committee of the Board of Directors of the Company at its meeting held on 16 December 2024. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Further, the benefits discussed in the Annexure II and III are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed qualified institutions placement of equity shares of the Company (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

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

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

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

i) the Company and its shareholders will continue to obtain these special tax benefits in future; or
ii) the conditions prescribed for availing the special tax benefits where applicable, have been/would be met with.

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

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

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Preliminary Placement Document ("PPD") and Placement Document ("PD"), prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges. It is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Walker Chandiok & Co LLP
Firm Registration No. 001076N/N500013

Partner: Sujay Paul

Membership No.: 096314
UDIN: 24096314BKETZK9320

Date: 16 December 2024
Place: Noida

Annexure I

List of Direct and Indirect Tax Laws ("**TAX LAWS**")

Sr. No	Details of tax laws
1	Income-tax Act, 1961, and Income-tax Rules, 1962; (read with the applicable circulars and notifications) as amended by the Finance (No. 2) Act, 2024
2	The Central Goods and Services Tax Act, 2017 read with corresponding Rules and Regulations
3	The Integrated Goods and Services Tax Act, 2017 read with corresponding Rules and Regulations
4	The State Goods and Services Tax Act, 2017 read with corresponding Rules and Regulations
5	The Customs Act, 1962 read with corresponding Rules and Regulations
6	The Customs Tariff Act, 1975
7	The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

For and on behalf of Board of Directors of
Gravita India Limited,

Managing Director

Place: Jaipur
Date: December 16, 2024

Annexure II

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO GRAVITA INDIA LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – INCOME TAX ACT, 1961

Outlined below are certain special direct tax benefits available to Gravita India Limited ("the Company") and its shareholders under the Income-tax Act, 1961 (hereinafter referred to as "the IT Act"), read with Income Tax Rules, circulars, notifications, as amended by the Finance Act (No.2), 2024 (collectively hereinafter referred to as the "Income Tax Laws"). These special direct tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the IT Act and the relevant Income Tax Rules of India.

A. Special direct tax benefits available to the Company under the Income Tax Laws in India

1. Deduction for Additional Depreciation – Section 32(1)(iia) of the IT Act

As per the section 32(1)(iia) of the IT Act, an assessee engaged in the business of manufacture or production of any article or thing is allowed an additional depreciation at the rate of 20% on the actual cost of plant or machinery acquired and installed after the 31st March 2005, subject to the prescribed conditions laid under the said section.

At the time of filing Income tax return for AY 2024-25, the Company has claimed the deduction for Additional Depreciation under section 32(1)(iia) of the IT Act.

2. Deduction for any sum paid to approved institutions in respect of Scientific research or Social / Statistical research – Section 35 of the IT Act

As per section 35(ii), 35(iia), 35(iii) and 35(2AA) of the IT Act, an assessee can claim deduction in respect of any sum paid for scientific research or social science and statistical research, as the case may be, to any approved - Research Association, Institute, College, University, Indian Company engaged in scientific research and development, National Laboratory, Indian Institute of Technology and other specified institutions, subject to fulfilment of prescribed conditions laid under section 35 of the IT Act.

At the time of filing Income tax return for AY 2024-25, the Company has not presently claimed the said deduction. The Company should be eligible to claim the deduction subject to fulfilment of prescribed conditions.

3. Deduction of scientific expenditure incurred in respect of own business - Section 35(1)(i) read with clause (iv) of sub-section (1) and sub-section (2) of the IT Act

As per section 35(1)(i) read with clause (iv) of sub-section (1) and sub-section (2) of the IT Act, an assessee can claim deduction in respect of any revenue and capital expenditure laid out or expended on scientific research related to its business, subject to the fulfilment of prescribed eligibility conditions therein.

At the time of filing Income tax return for AY 2024-25, the Company has not presently claimed the said deduction. The Company should be eligible to claim the deduction subject to fulfilment of prescribed conditions.

4. Deduction of expenditure in connection with extension of an undertaking - Section 35D of the IT Act

As per section 35D of the IT Act, an assessee is eligible to claim deduction of expenditure, being underwriting commission, brokerage, and charges for drafting, typing, printing and advertisement of the prospectus incurred in connection with expansion of its undertaking upon fulfilment of conditions as laid down under the IT Act. The deduction under section 35D of the IT Act is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the extension of the undertaking is completed.

At the time of filing Income tax return for AY 2024-25, the Company has not presently claimed the said deduction. The Company should be eligible to claim the deduction subject to fulfilment of prescribed conditions.

5. Deduction in respect of inter-corporate dividends – Section 80M of the IT Act

As per the provisions of section 80M of the IT Act, a domestic company, shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. However, such deduction shall be restricted to the amount of dividend distributed by it to its shareholders on or before the due date i.e., one month prior to the date of furnishing the return of income under sub-section (1) of section 139 of the IT Act.

At the time of filing Income tax return for AY 2024-25, the Company has not presently claimed the said deduction. The Company should be eligible to claim the deduction subject to fulfilment of prescribed conditions.

6. Deductions in respect of employment of new employees – Section 80JJAA of the IT Act

As per section 80JJAA of the IT Act, where an assessee is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the IT Act.

At the time of filing Income tax return for AY 2024-25, the Company has claimed the deduction under the aforesaid section.

7. Deduction with respect to donations / contributions to specified funds / institutions - Section 80G of the IT Act

An assessee is entitled to claim deduction, under the provisions of section 80G of the IT Act towards donation / contribution made to specified funds / institutions subject the fulfilment of conditions laid down therein. The deduction under section 80G shall be available for an amount equal to 100% or 50% (subject to permissible limit) of the amount of donations made by the Company in the relevant previous year.

At the time of filing Income tax return for AY 2024-25, the Company has claimed the deduction under the aforesaid section.

8. Deduction in respect of profits and gains from maintenance of infrastructure facility under solid waste management - Section 80IA of the IT Act

An assessee is entitled to claim deduction, under the provisions of section 80IA of the IT Act, of its profit and gains derived from the business of operating, maintaining & development of Infrastructure facilities as defined under the section for ten consecutive assessment years.

The deduction under section 80IA shall be available for an amount equal to 100% (subject to the fulfilment of the condition laid down under section 80IA of the IT Act.

At the time of filing Income tax return for AY 2024-25, the Company has claimed the deduction under the aforesaid section.

9. Setoff of MAT Credit – Section 115JAA of the IT Act

As per the provisions of section 115JAA of the IT Act, an assessee can claim credit of taxes paid under MAT provision. Taxes paid under MAT provisions are eligible for carry forward for a period of fifteen assessment years immediately succeeding the assessment year in which such credit has become allowable. The credit is available for set off only when tax becomes payable under the normal provisions of the IT Act. The tax credit can be utilized to the extent of difference between the tax payable under the normal provisions of the IT Act and tax payable under MAT for that year.

At the time of filing Income tax return for AY 2024-25, the Company has not claimed the set-off of available MAT credit under the aforesaid section.

10. Concessional corporate tax regime - Section 115BAA of the IT Act

Section 115BAA of the IT Act, introduced vide The Taxation Laws (Amendment) Act, 2019, lays down certain conditions on fulfillment of which domestic companies are entitled to avail a beneficial tax rate of 22% (plus applicable surcharge and cess). The option to apply this tax rate is made available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs.

The total income of a company would be taxable at the beneficial tax rate of 25.168% (i.e., 22% tax plus 10% surcharge and 4% health & education cess) subject to not availing specified deduction/exemptions and fulfillment of other conditions prescribed under section 115BAA of the IT Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this beneficial tax regime.

The provisions do not specify any limitation / condition on account of turnover, nature of business or date of incorporation for opting for the beneficial tax regime. Accordingly, all existing as well as new domestic companies are eligible to avail this beneficial tax regime by filing Form 10-IC which is a pre-requisite for availing the concessional tax rates under section 115BAA of the IT Act.

Note: The Company has not yet opted for beneficial tax regime under section 115BAA of the IT Act. Once the Company decides to opt for the beneficial tax regime, the deduction outlined above (except section 80JJAA and section 80M of the IT Act) shall not be available to the Company (including brought forward losses related to such deductions).

11. Exempt Income from Partnership Firms - Section 10(2A) of the IT Act

Any income from a partnership firm in which an assessee is a partner is exempt from tax as per the provisions of section 10(2A) of the IT Act subject to fulfillment of conditions.

At the time of filing Income tax return for AY 2024-25, the Company has earned profit from partnership firms and claimed exemption under the said section.

B. Special direct tax benefits available to the shareholders under the Income Tax Laws in India

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of a domestic corporate shareholder, benefit of deduction under section 80M of the IT Act would be available subject to fulfilling the conditions (as discussed in A.2. above).

2. As per section 115A of the IT Act, dividend income earned by a non-resident (not being an company) or by a foreign company, shall be taxed at the rate of 20% subject to fulfilment of prescribed conditions under the IT Act.

3. As per section 111A of the IT Act, short-term capital gains arising from transfer of equity shares on which securities transaction tax (STT) is paid at the time of acquisition and sale, shall be taxed at the rate of 20%. This is subject to fulfilment of prescribed conditions under the IT Act.

4. As per section 112A of the IT Act, long-term capital gains arising from transfer of equity shares on which STT is paid at the time of acquisition and sale, shall be taxed at the rate of 12.5%. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,25,000 in a financial year.

5. Where the shareholders are Individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15% in respect of dividend income, long-term capital gain and short-term capital gain under section 111A.

6. As per section 90(2) of the IT Act, non-resident shareholders shall be eligible to take advantage of the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any, applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits.

Further, any income by way of capital gains, dividends accruing to non-residents may be subject to withholding tax per the provisions of the IT Act or under the relevant DTAA, whichever is more beneficial to such non-resident. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

Notes:

1. These special direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2. The special direct tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares to the qualified institutional buyers.

4. The Statement is prepared based on information available with the Management of the Company and there is no assurance that:

i. the Company or its shareholders will continue to obtain these benefits in future;
ii. the conditions prescribed for availing the benefits have been / would be met with; and
iii. the revenue authorities / courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

6. The Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.

For and on behalf of Board of Directors of
Gravita India Limited,

Managing Director

Place: Jaipur
Date: December 16, 2024

Annexure III

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE INDIRECT TAX REGULATIONS IN INDIA

1. Special Tax Benefits available to the Company

The Company is engaged in the business of manufacturing lead metal through recycling and smelting process, along with other lead products.

The Company discharges GST liability on outward transactions, wherever applicable, and utilizes input tax credit for the purpose of discharging GST liability.

i. Benefits under the Export Promotion Capital Goods (EPCG) Scheme

EPCG Scheme is to facilitate import of capital goods for producing quality goods and services and enhance India's manufacturing competitiveness. EPCG Scheme allows import of capital goods for pre-production, production, and post-production at zero customs duty subject to fulfillment of export obligation. The capital goods imported under EPCG shall be subject to the "Actual User" condition. The Company has been availing benefit under this scheme.

ii. Benefits under the Advance Authorisation Scheme

Advance Authorisation Scheme allows duty-free import of inputs, which are physically incorporated in an export product subject to fulfillment of export obligation. In addition to any inputs, packaging material, fuel, oil, catalyst which is consumed or utilized in the process of production of export product, is also allowed. Advance Authorisation covers manufacturer exporters or merchant exporters tied to supporting manufacturers. The inputs imported under Advance Authorisation shall be subject to the "Actual User" condition. The Company has been availing benefit of this scheme.

iii. Benefits under Duty Drawback Scheme

Duty Drawback Scheme provides refund/recoupment of custom duties paid on inputs or raw materials and tax paid on the input services used in the manufacture of exported goods. The Company avails the Duty Drawback Scheme, which provides refunds of custom duties paid on inputs used in exports.

iv. Benefits under Remission of Duties and Taxes on Exported Products Scheme ('RoDTEP' Scheme)

The RoDTEP scheme has been introduced with an objective to neutralize the taxes and duties suffered on exported goods which are otherwise not credited or remitted or refunded in any manner and remain embedded in the export goods. This scheme provides for rebate of all miscellaneous Central, State, and Local duties/taxes/levies on the goods exported which have not been refunded under any other existing scheme.

The scheme intends to compensate the duties/taxes/levies at the Central, State and Local level borne on the exported product such as VAT and excise duty on the fuel used in self-incurred transportation costs, electricity duty on purchase of electricity, municipal taxes, etc.

The Company also avails the benefit of RoDTEP on eligible exports.

v. Benefits under Integrated Goods and Services Tax Act, 2017

Under the GST regime, export of goods/ services outside India and supplies made to Special Economic Zone (SEZ) developer or unit for authorized operations, qualify as zero-rated supplies.

In respect of these supplies, the supplier is entitled to claim GST refund through two mechanisms –

a. In case export outside India or supplies to SEZ developer/ unit is made under 'without payment of tax' category under a Bond/Letter of Undertaking, refund of accumulated input tax credit can be availed.

b. In case exports outside India or supplies to SEZ developer/ unit is made under 'with payment of tax' category the person can claim refund of the integrated goods and services tax (IGST) paid against such supplies.

The Company has been engaged in the export of goods 'without payment of IGST' and has claimed refund for the accumulated Input Tax Credit.

Further, in respect of the supplies made to SEZ units/developers under 'without payment of IGST' category, the Company may claim refund of accumulated ITC.

vi. Benefits under Duty-Free Tariff Preference Scheme ('DFTP' Scheme) for Least Developed Countries (LDCs)

The DFTP Scheme was launched by India in 2008 to provide preferential market access to LDCs, including Tanzania, as part of its commitment to South-South Cooperation and inclusive trade. The scheme provides duty-free or preferential market access to majority of India's tariff lines for exports from Least Developed Countries (LDCs).

The Company has also availed the benefit of duty-free imports from LDCs under DFTP Scheme.

vii. Benefits under India's Free Trade Agreements with other countries

India has established Free Trade Agreements (FTAs) with several countries, including Sri Lanka, enabling reduced or zero custom duties on eligible imports from these partner nations.

The Company has availed the duty-free import benefits under the India-Sri Lanka Free Trade Agreement.

Further, the Company may leverage the benefits available under other FTAs such as Asia-Pacific Trade Agreement, SAARC Preferential Trading Arrangement, Comprehensive Economic Cooperation Agreement between India and Association of Southeast Asian Nations and Comprehensive Economic Partnership Agreement.

viii. Benefits under Manufacturing and Other Operations in Warehouse Scheme ('MOOWR' Scheme)

The MOOWR Scheme enables deferred payment of duties such as Basic Customs Duty (BCD), Social Welfare Surcharge, and IGST on imported raw materials stored in a customs-bonded warehouse for manufacturing or other operations. These duties are payable only when the final product is cleared for domestic consumption, while exports enjoy complete duty exemption.

As the Company imports raw materials and exports processed goods, it may benefit from deferred duty payments under the MOOWR Scheme.

Apart from above, none of any special indirect tax benefits are available to the company under the Indirect Tax Regulations in India.

2. Special Tax Benefits available to Shareholders of the Company

The shareholders of the company are not required to discharge any GST on transaction in securities of the company. Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well as from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

Apart from above, the shareholders of the company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under as well as the Foreign Trade Policy, 2023.

For and on behalf of Board of Directors of
Gravita India Limited

Name: Sunil Kansal
Designation: Chief Financial Officer
Place: Jaipur
Date: 16 December 2024

Gravita India Limited
Attn The Board of Directors
Gravita Tower, A 27-B
Shanti Path, Tilak Nagar
Jaipur – 302004, India
Dated: 16th December 2024

Heerhugowaard,

Re: Proposed issuance of equity shares of face value of ₹ 2 each ("Equity Shares") of Gravita India Limited ("Issuer") under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), and Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, as amended ("Companies Act") through a Qualified Institutions Placement (the "Issue").

Statement of Possible Tax Benefits available to Gravita Netherlands B.V.

Dear Sirs, Madams,

Upon your request, please find hereby our statement of possible tax benefits available to Gravita Netherlands B.V. (hereafter Gravita BV).

Goed Geregeld Accountants & Belastingadviseurs BV (hereafter: GG) is an accounting and tax advisory firm in The Netherlands. GG prepares the annual corporate income tax return of Gravita BV in The Netherlands.

This statement relates to Dutch taxation only. We explicitly note that no assurance is provided with regard to this statement.

- Gravita BV is registered as a tax payer for corporate income tax under the "Wet op de vennootschapsbelasting 1969" (hereafter: Corporate Income Tax Act or CIT).

- Gravita BV is registered as a tax payer for VAT under the "Wet op de omzetbelasting 1968" (hereafter VAT Act or VAT).

Gravita BV is acting as a holding company, Gravita BV is not eligible to any special tax benefits under the Corporate Income Tax Act and VAT Act.

Notes:

Gravita BV does apply for using the participation exemption in case she meets the requirements as set out in the Corporate Income Tax Act. As a consequence dividend income and capital gains derived from qualifying participations are exempted in The Netherlands.

The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

This report is addressed to and is provided to enable the Board of Directors of the Issuer to include this report in the Preliminary Placement Document ("PPD") and Placement Document ("PD"), prepared in connection with the Issue to be filed by the Issuer with the Securities and Exchange Board of India and the concerned stock exchanges. It is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours sincerely,

Goed Geregeld Accountants & Belastingadviseurs B.V.

Drs. J. van der Neut RB

The Managing Director

Recycler Ghana limited Tema-Ghana

16th December, 2024

Re: Proposed issuance of equity shares of face value of ₹ 2 each ("Equity Shares") of Gravita India Limited ("Issuer") under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), and Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, as amended ("Companies Act") through a Qualified Institutions Placement (the "Issue").

Dear Sir**,**

TAX BENEFITS OF RECYCLER GHANA LIMITED UNDER A FREE ZONE ENTERPRISE IN GHANA AS AT 30TH NOVEMBER 2024

You have requested us to outline specific tax benefits that Recycler Ghana Limited (hereinafter referred to as 'the Company') is entitled to and is currently enjoying under the Free Zone Enterprise operations in Ghana as of 30th November 2024. Recycler Ghana Limited is registered as a Free Zone Enterprise in Ghana and began operations in 2018**.**

Tax Benefits Recycler Ghana Ltd is Entitled Under the Free Zone Operations as of 30th November 2024.

We have set out below the tax benefits extended to the company under the Free Zone operation as of 30th November 2024.

1. Corporate Income tax benefits

a. Under the Income Tax Act of 2015 (Act 896), a Free Zone Developer or Enterprise who is granted a license under the Free Zone Act 1995 (Act 504) enjoys a corporate tax exemption for the first ten (10) years. The concessionary period of ten (10) years commences from the date of commencement of the operation as a Free Zone Enterprise. This exemption applies only when the company strictly comply with the terms of the license obtained from the Free-Zone Authority in Ghana.

b. After the concessionary period of ten (10) years, as explained above, the following tax rate will apply:

i. The chargeable income of a Free Zone Enterprise from the export of goods and services outside of the national customs territory in Ghana for a year of assessment is taxed at a corporate tax rate of fifteen per cent (15%).

ii. The chargeable income from goods and services provided to the domestic market by a Free Zone Enterprise after its concessionary period for a year of assessment is taxed at the rate of twenty-five (25) per cent.

1. Recycler Ghana Limited is registered under the Free Zone Act to operate as a free zone enterprise and commenced operation in 2018. The first ten years end in 2027. As a result, the company may benefit from the corporate tax exemption for that period.

2. Up until the date ending November 30th 2024, the Company's corporate profit is exempt from tax under the free zone operations.

2. Value Added Tax (VAT) benefits

As per the Value Added Tax 2013 (Act 870), a supply to a free zone developer or free zone enterprise that provides satisfactory documentation that its operations and the procedure for acquiring the supply satisfy the requirements of the Free Zone Act, 1995 (Act 504) is subject to a zero VAT rate. Effectively, no VAT will apply when a person makes supplies to the Company.

In line with the provisions of Act 870, Recycler will not be charged VAT when goods or services are supplied to the company from the domestic market.

As of November 30th, 2024, Recycler Ghana Limited was entitled to zero-rated VAT in Ghana.

3. Import Duty

Under the Customs Act 2015, Act 891, and the Free Zone Act 1995 (Act 504), goods imported by a free zone enterprise are exempt from import duty so long as the enterprise complies with customs procedures relating to the importation of goods to the free zone enclave.

The Company is required to submit an annual report to the Minister of Finance regarding the annual turnover of the company, employee and their taxes paid, and the percentage of goods exported in order to continue to enjoy the customs tax benefits. This requirement is separate from any obligation to the Free-Zone Authority.

As of November 30, 2024, Recycler Ghana Limited is entitled to import duty exemption for goods imported into the free zone enclave.

This report is addressed to and is provided to enable the Board of Directors of the Issuer to include this report in the Preliminary Placement Document ("PPD") and Placement Document ("PD"), prepared in connection with the Issue to be filed by the Issuer with the Securities and Exchange Board of India and the concerned stock exchanges.

It is not to be used, referred to or distributed for any other purpose without our prior written consent.

For and on behalf of A.B Coffie (Chartered Accountants)

Authorised Signatory: Solberg Horve Mishiwo, BBA, MBA, CA, MCITG

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of tax disputes and civil proceedings, which are pending before various adjudicating forums.

*In terms of our Company's "Policy for Determination of Materiality of Events/information" ("**Materiality Policy**") framed in accordance with Regulation 30 of the SEBI Listing Regulations, there are no outstanding litigations involving our Company that have been disclosed to the Stock Exchanges, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Placement Document.*

*However, solely for the purpose of the Issue, our Company has disclosed in this section, to the extent applicable (i) all outstanding criminal proceedings involving our Company; (ii) all outstanding actions by statutory or regulatory authorities against our Company; (iii) outstanding civil involving our Company, where the amount involved in such proceeding exceeds 9.91 crores, on a consolidated basis ("**Materiality Threshold**"); (iv) consolidated disclosure of the direct and indirect tax matters involving the Company; and (v) any other outstanding litigation involving our Company wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could materially and adversely affect the reputation, operations or financial position of our Company.*

Further, other than as disclosed in this section, (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last three years immediately preceding the year of circulation of this Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Placement Document involving our Company, nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company; (iii) there are no defaults in repayment of (a) undisputed statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of this Placement Document; (iv) there are no material frauds committed against us in the last three years; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; or (vii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Placement Document
It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Directors and/or our Promoter from third parties (excluding statutory / regulatory /governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Directors and/or our Promoter, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

1. Litigation involving our Company

Material civil proceedings involving our Company

A. Civil Proceedings filed by our Company

As on the date of this Placement Document, there are no outstanding material civil proceedings by the Company

B. Civil Proceedings filed against our Company

As on the date of this Placement Document, there are no outstanding material civil proceedings against the Company

Criminal Proceedings involving our Company

A. Criminal Matters filed by our Company

Our Company has filed 12 complaints and appeals against various persons under Section 138 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheques and recovery of dues. The matters are at different stages and pending for adjudication before various court. The aggregate amount involved in these matters is approximately ₹3.46 crores.

B. Criminal Matters filed against our Company

As on the date of this Placement Document, there are no outstanding criminal proceedings against the Company

Tax proceedings involving our Company

We have set out below claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims (Net of Provision):

Nature of case	Number of cases	Amount Involved (Net of Provision) (in ₹ crores)
Direct Tax	3	0.01
Indirect Tax	16	79.37

2. Litigation involving our Subsidiaries

Material civil proceedings involving our Subsidiaries

A. Civil Proceedings filed by our Subsidiaries

As on the date of this Placement Document, there are no outstanding material civil proceedings by our Subsidiaries.

B. Civil Proceedings filed against our Subsidiaries

As on the date of this Placement Document, there are no outstanding material civil proceedings against our Subsidiaries.

Criminal proceedings involving our Subsidiaries

A. Criminal Matters filed by our Subsidiaries

Our Subsidiary has filed a complaint against under Section 138 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheques and recovery of dues involving an aggregate amount of ₹0.17 crores

B. Criminal Matters filed against our Subsidiaries

As on the date of this Placement Document, there are no outstanding criminal proceedings against our Subsidiaries.

Tax proceedings involving our Subsidiaries

We have set out below claims relating to direct and indirect taxes involving our Subsidiaries in a consolidated manner giving details of number of cases and total amount involved in such claims (Net of Provision):

Nature of case	Number of cases	Amount Involved (net of provision) (in ₹crores)
Direct Tax	2	4.22
Indirect Tax	4	3.51

3. Litigation involving our Directors

Criminal proceedings involving our Directors

A. Criminal Matters filed by our Directors

As on the date of this Placement Document, there are no outstanding criminal proceedings by our Directors.

B. Criminal Matters filed against our Directors

As on the date of this Placement Document, there are no outstanding criminal proceedings against our Directors.

4. Litigation involving our Promoters

Criminal proceedings involving our Promoters

A. Criminal Matters filed by our Promoters

As on the date of this Placement Document, there are no outstanding criminal proceedings by our Promoters.

B. Criminal Matters filed against our Promoters

As on the date of this Placement Document, there are no outstanding criminal proceedings against our Promoters.

5. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years

There have been no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act, 1956 or the Companies Act, 2013 in the last three years immediately preceding the year of issue of this Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company or our Subsidiaries.

6. Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the year of the Issue Documents, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

There have been no legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the year of the Issue Documents, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

7. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

There have been no material frauds committed against our Company in the last three years preceding the date of this Placement Document.

8. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon

As on the date of this Placement Document, our Company has no outstanding defaults in repayment of undisputed statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution.

9. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

As on the date of this Placement Document, our Company has not made any default in filings of our Company under the Companies Act, 2013 and the rules made thereunder

10. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operation

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

11. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks

Except as disclosed in the "***Risk Factors-Our statutory auditors have highlighted certain matters of emphasis to their audit and review reports relating to our audited financial statements, which may affect our future financial results***" and "***Management's Discussion on Financial Condition and Results of Operations – Auditor's Observations***" on page 48 and 111, respectively there are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document.

STATUTORY AUDITORS

M/s. Walker Chandiok & Co. LLP are the current independent Statutory Auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI. M/s. Walker Chandiok & Co. LLP have been appointed as the Statutory Auditors of our Company, pursuant to the approval of the Shareholders of our Company at the AGM held on September 18, 2024, for a term of 5 years commencing from the conclusion of the 32nd AGM of the Company till the conclusion of the 37th AGM.

M/s. Walker Chandiok & Co. LLP, have performed a review of the Consolidated Unaudited Financial Results for the six month period ended September 30, 2024 and September 30, 2023 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the ICAI and have issued a limited review report dated October 21, 2024 and October 31, 2023, respectively on the Consolidated Unaudited Financial Results, which is included in this Placement Document in "*Financial Statements*" on page 304.

Further, M/s. Walker Chandiok & Co. LLP, have audited the Audited Financial Statements for Fiscals 2024, 2023 and 2022 and their audit reports on those financial statements are included in this Placement Document in "***Financial Statements***" on page 304.

GENERAL INFORMATION

1. Our Company was originally incorporated as "*Weldtech Private Limited*" on August 4, 1992, under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur. The name of our Company was subsequently changed to "*Gravita India Private Limited*" on August 02, 1996 and a fresh certificate of Incorporation was issued by the Registrar of Companies, Rajasthan at Jaipur. Further, pursuant to a fresh certificate of Incorporation issued on August 13, 1996 by the Registrar of Companies, Rajasthan at Jaipur, the name was changed to "*Gravita India Limited*".

2. Our registered office is located at "Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India and corporate office at 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 302 004, Rajasthan, India.

3. Our corporate identification number is L29308RJ1992PLC006870. The website of our Company is www.gravitaindia.com.

4. The Equity Shares of our Company are listed on BSE and NSE.

5. The Issue was authorised and approved by our Board of Directors on October 4, 2024, and the shareholders of our Company pursuant to the resolution dated November 22, 2024, passed through postal ballot.

6. Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on December 16, 2024 to list the Equity Shares issued pursuant to the Issue on the Stock Exchange. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

7. Copies of our Memorandum and Articles of Association will be available for inspection between 11:00 am to 1:00 pm on all working days, (except Saturdays and public holidays) during the Bid/ Issue Period at our Registered Office.

8. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

9. Except as disclosed in this Placement Document, there has been no material adverse change in our financial or trading position since the date of the Unaudited Consolidated Financial Results, which has been included in this Placement Document.

10. No change in the control of the Company will occur consequent to the Issue.

11. The Floor Price is ₹ 2,206.49 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company offered a discount of 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations certified by R. Sogani & Associates, Chartered Accountants.

12. Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the SCRR.

13. Our Company offered a discount of 5% on the Floor Price of ₹ 2,206.49 per Equity Share, in terms of Regulation 176 of the SEBI ICDR Regulations.

14. Our Company has obtained necessary consents, approvals and authorizations as may be required in connection with the Issue.

15. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting our Company, or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are or might be material in the context of this Issue or could have a material adverse effect on the position, business, operations, prospects or reputation of our Company. For further details, see "*Legal Proceedings*" on page 295.

16. There have been no defaults in the annual filings of our Company under the Companies Act or the rules made thereunder.

17. As on the date of this Placement Document, Walker Chandiok & Co. LLP, (firm registration number: 001076N/N500013) are the statutory auditors of the Company.

18. The Company and the BRLMs accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

19. Details of the Company Secretary and Compliance Officer of our Company:

    Nitin Gupta
    "Saurabh", Chittora Road,
    Harsulia Mod, Diggi-Malpura Road,
    Tehsil – Phagi, Jaipur – 303 904
    Rajasthan, India.
    Tel No.: +91-141-4057700
    E-mail: companysecretary@gravitaindia.com

PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue share capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)^*
1.	OXBOW MASTER FUND LIMITED	12.40
2.	MIRAE ASSET FLEXI CAP FUND	12.40
3.	SOCIETE GENERALE - ODI	6.15
4.	ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED	5.00
5.	GOLDMAN SACHS FUNDS - GOLDMAN SACHS INDIA EQUITY PORTFOLIO	5.00
6.	CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED - ODI	4.85
7.	UTI INNOVATION FUND	4.30
8.	TATA ALTERNATIVE INVESTMENT FUND-TATA EQUITY PLUS ABSOLUTE RETURNS FUND	3.50
9.	ASK INVESTMENT FUNDS ICAV - ASK INDIAN ENTREPRENEUR FUND	3.50
10.	SUBHKAM VENTURES I PVT LTD	3.30
11.	JUPITER INDIA FUND	3.29
12.	TATA DIVIDEND YIELD FUND	2.80
13.	UBS PRINCIPAL CAPITAL ASIA LTD	2.45
14.	BOFA SECURITIES EUROPE SA - ODI	2.10
15.	ASK GROWTH INDIA FUND	2.10
16.	BNP PARIBAS FUNDS EMERGING MARKETS CLIMATE SOLUTIONS	2.10
17.	NECTA BLOOM VCC - NECTA BLOOM ONE	2.00
18.	EDELWEISS LIFE INSURANCE COMPANY LIMITED	2.00
19.	LIONGLOBAL INVESTMENT FUNDS - LIONGLOBAL INDIA FUND	1.80
20.	SCHRODER INTERNATIONAL SELECTION FUND GLOBAL EMERGING MARKETS SMALLER COMPANIES	1.65
21.	COPTHALL MAURITIUS INVESTMENT LIMITED - ODI ACCOUNT	1.30
22.	BNP PARIBAS FUNDS GLOBAL CLIMATE SOLUTIONS	1.27
23.	THE JUPITER GLOBAL FUND-JUPITER INDIA SELECT	1.21
24.	ASK GOLDEN DECADE FUND	1.10
25.	ASTORNE CAPITAL VCC - ARVEN	1.00
26.	MORGAN STANLEY ASIA (SINGAPORE) PTE. - ODI	1.00
27.	UTI GOLDFINCH FUNDS PLC - UTI INDIA INNOVATION FUND	0.90
28.	BNP PARIBAS FUNDS ECOSYSTEM RESTORATION	0.84
29.	BNP PARIBAS FINANCIAL MARKETS	0.80
30.	NOMURA SINGAPORE LIMITED	0.80
31.	ZUNO GENERAL INSURANCE LIMITED	0.70
32.	ASK GOLDEN DECADE FUND - SERIES II	0.70
33.	1895 AANDELEN MACRO OPPORTUNITIES FONDS	0.68

34.	AURIGIN MASTER FUND LIMITED	0.63
35.	INDIA EMERGING OPPORTUNITIES FUND LIMITED	0.60
36.	TATA ALTERNATIVE INVESTMENT FUND-TATA ABSOLUTE RETURN FUND	0.50
37.	VIKASA INDIA EIF I FUND	0.50
38.	SUSQUEHANNA PACIFIC PTY LTD	0.50
39.	TARA EMERGING ASIA LIQUID FUND	0.45
40.	KOTAK OPTIMUS AGGRESSIVE SCHEME	0.40
41.	NEO ALTERNATIVES INVESTMENT TRUST-NEO DYNAMIC STRATEGY FUND	0.33
42.	ASK LIGHTHOUSE FUND	0.30
43.	W-ASIA OPPORTUNITY SPV LP	0.17
44.	SCHRODER INTERNATIONAL SELECTION FUND - EMERGING MARKETS EQUITY IMPACT	0.17
45.	NEO ALTERNATIVES INVESTMENT TRUST-NEO TREASURY PLUS FUND	0.17
46.	ASK MULTI CAP FUND	0.15
47.	KOTAK OPTIMUS MODERATE SCHEME	0.10
48.	ASK GOLDEN DECADE FUND SERIES III	0.05

^ *Based on beneficiary position as on December 19, 2024.*

FINANCIAL STATEMENTS

S. No.	Financial Information
1.	Unaudited Consolidated Financial Results for the six months period ended September 30, 2024, along with the limited review report issued
2.	Unaudited Consolidated Financial Results for the six months period ended September 30, 2023, along with the limited review report issued
3.	Audited consolidated financial statements for Fiscal 2024 along with audit report issued
4.	Audited consolidated financial statements for Fiscal 2023 along with audit report issued
5.	Audited consolidated financial statements for Fiscal 2022 along with audit report issued

Walker Chandiok & Co LLP
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Outer Circle,
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India

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Gravita India Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2024 and the consolidated year to date results for the period 01 April 2024 to 30 September 2024, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

Walker Chandiok & Co LLP * Chartered Accountants *

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. As stated in note 6 to the accompanying Statement, during the previous year ended 31 March 2024, the Group had not accounted for the employee benefit expenses related to gain on sale of certain treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') terminated during the year ended 31 March 2024, which had been credited to Other Equity as per Ind AS 32, Financial Instruments: Presentation. As explained in the said note, proceeds from sale of such treasury shares, net of liability of the Trust, if any, were proposed to be used for the welfare of the employees of the Group, as required under applicable statutory regulations and as per the terms of the trust deed. In our view, the Group should have accounted for such benefits to be given to employees as employee benefit expenses in the Statement of Profit and Loss in accordance with the principles of Ind AS 102 – Share Based Payments. However, the Group had created a liability for such employee welfare expense by directly debiting 'Other Equity' in the consolidated financial results for the year ended 31 March 2024.

   Had the Group accounted for the aforesaid transaction in accordance with the requirements as stated above, employee benefit expenses would have been higher by Rs. 20.67 crores and profit before tax and total comprehensive income would have been lower by Rs. 20.67 crores for the year ended 31 March 2024 as well as quarter and six-month period ended 30 September 2023, however there would have been no impact on the 'Other Equity' of the Group as on such dates. Our audit opinion on the consolidated financial results of the Group for the year ended 31 March 2024 and our conclusion on the consolidated financial results of the Group for the quarter and six-month period ended 30 September 2023 was qualified in respect to this matter.

   Consequently, our conclusion on the accompanying Statement is also qualified because of the effects of this matter on the comparability of current period figures with the corresponding figures of employee benefit expenses and total comprehensive income for the year ended 31 March 2024 as well as quarter and six-month period ended 30 September 2023 presented in the accompanying Statement.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of 20 subsidiaries included in the Statement whose financial information reflects total assets of Rs. 832.40 crores as at 30 September 2024, and total revenues of Rs. 336.98 crores and Rs. 681.51 crores, total net profit after tax of Rs. 21.91 crores and Rs. 55.08 crores, total comprehensive income of Rs. 19.94 crores and Rs. 36.52 crores, for the quarter and six-month period ended on 30 September 2024, respectively, and cash outflows (net) of Rs. 7.45 crores for the six-month period ended 30 September 2024, as considered in the Statement. These interim financial information have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

7. The Statement also includes the interim financial information of 6 subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflects total assets of Rs. 22.97 crores as at 30 September 2024, and total revenues of Rs. 0.31 crores and Rs. 1.23 crores, net loss after tax of Rs. 0.22 crores and Rs. 0.20 crores, total comprehensive loss of Rs. 0.23 crores and Rs. 0.30 crores for the quarter and six-month period ended 30 September 2024 respectively, cash inflow (net) of Rs. 5.04 crores for the six-month period ended 30 September 2024 as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the interim financial information certified by the Board of Directors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No. 507000

UDIN: 24507000BKDHRH1809

Place: Jaipur
Date: 21 October 2024

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

Annexure 1

List of entities included in the Statement

Subsidiaries (including of Partnership firms and trust)

1. Gravita Infotech Limited
2. Gravita Ghana Limited
3. Gravita Mozambique LDA
4. Noble Build Estate Private Limited
5. Gravita Global Pte Limited
6. Navam Lanka Limited
7. Gravita Netherlands BV
8. Gravita Senegal S.A.U
9. Gravita Jamaica Limited (till 18 July 2024)
10. Gravita Ventures Limited
11. Gravita USA Inc.
12. Recyclers Gravita Costa Rica SA (till 19 July 2024)
13. Gravita Tanzania Limited
14. Recyclers Ghana Limited
15. Mozambique Recyclers LDA
16. Gravita Metal Inc.
17. Gravita Infotech
18. Recycling Infotech LLP
19. Gravita Employee Welfare Trust
20. Gravita Togo SAU
21. Green Recyclers Mozambique LDA
22. Gravita Conakry S.A.U. (from 14 June 2023) (till 17 August 2023)
23. Gravita Gulf DMCC (from 3 August 2023)
24. Gravita Dominicana S.A.S. (from 10 August 2023)
25. Recyclers South Africa (PTY) Ltd (from 10 October 2023)
26. Green Recyclers LLC (from 25 October 2023)

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Website: www.gravitaindia.com, Email: companysecretary@gravitaindia.com, CIN: L29308RJ1992PLC006870

Statement of Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2024 (Rs. in crores)

	Particulars	3 months ended September 30, 2024	Preceding 3 months ended June 30, 2024	Corresponding 3 months ended September 30, 2023	Half year ended September 30, 2024	Corresponding half year ended September 30, 2023	Previous year ended March 31, 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	Revenue from operations	927.42	907.86	836.18	1,835.28	1,539.57	3,160.75
	Other income**	40.36	6.87	14.13	47.23	37.48	77.81
	Total income	967.78	914.73	850.31	1,882.51	1,577.05	3,238.56
II	Expenses						
	Cost of materials consumed	863.13	808.59	669.32	1,671.72	1,241.52	2,559.24
	Purchase of stock-in-trade	10.12	0.79	3.42	10.91	11.02	13.05
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(113.41)	(80.83)	7.67	(194.24)	(9.25)	(11.10)
	Employee benefits expense	46.31	42.76	31.46	89.07	70.72	131.24
	Finance costs (refer note 4)	11.95	12.96	11.17	24.91	23.87	49.22
	Depreciation and amortisation expense	7.18	6.52	8.57	13.70	16.49	37.99
	Other expenses**	57.78	48.88	51.70	106.66	94.52	184.77
	Total expenses	883.06	839.67	783.31	1,722.73	1,448.89	2,964.41
III	Profit before tax (I - II)	84.72	75.06	67.00	159.78	128.16	274.15
IV	Tax expenses						
	Current tax (including earlier years)	14.45	9.78	9.10	24.23	15.79	36.76
	Deferred tax (credit)/ charged	(1.65)	(2.72)	(0.94)	(4.37)	0.38	(4.89)
	Total tax expenses	12.80	7.06	8.16	19.86	16.77	31.87
V	Profit for the period/ year (III - IV)	71.92	68.00	58.84	139.92	111.39	242.28
VI	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit liabilities	(0.12)	(0.38)	(0.30)	(0.50)	(0.40)	(1.69)
	Income tax on above items	0.04	0.13	0.11	0.17	0.14	0.59
	Items that will be reclassified to profit or loss						
	Foreign currency translation reserve	(0.86)	(19.65)	(5.02)	(20.51)	(7.31)	(9.69)
	Change in fair value of hedging instruments	0.04	1.53	-	1.57	-	(0.98)
	Income tax on above items	(0.02)	(0.53)	-	(0.55)	-	0.34
	Total other comprehensive income, net of tax	(0.92)	(18.90)	(5.21)	(19.82)	(7.57)	(11.43)
VII	Total comprehensive income for the period/ year (V + VI)	71.00	49.10	53.63	120.10	103.82	230.85
	Profit for the period/ year attributable to:						
	Owners of the Holding Company	72.00	67.33	57.86	139.33	109.94	239.19
	Non-controlling interests	(0.08)	0.67	0.98	0.59	1.45	3.09
	Total other comprehensive income for the period/ year attributable to:						
	Owners of the Holding Company	(1.29)	(18.70)	(4.92)	(19.99)	(7.75)	(12.45)
	Non-controlling interests	0.37	(0.20)	(0.29)	0.17	0.18	1.02
	Total comprehensive income for the period/ year attributable to:						
	Owners of the Holding Company	70.71	48.63	52.94	119.34	102.19	226.74
	Non-controlling interests	0.29	0.47	0.69	0.76	1.63	4.11
VIII	Paid-up equity share capital (face value of Rs. 2/- each)	13.81	13.81	13.81	13.81	13.81	13.81
IX	Other equity						823.59
X	Earnings per share* (in Rs.)						
	Basic	10.66	9.82	8.52	20.48	16.22	34.88
	Diluted	10.66	9.82	8.52	20.48	16.22	34.88

* Earning per share not annualised except for year ended March 31, 2024

**Other expenses for the quarter ended June 30, 2024 included a loss on commodity forward contracts amounting to Rs. 0.86 crores, which has been reversed under the same head during the quarter ended September 30, 2024, considering there is a gain amounting to Rs. 37.22 crores in the six month period ended September 30, 2024. Further, the Company had incurred a loss of Rs. 5.39 crores upto six months ended September 30, 2023 which was classified as 'other expenses' in the quarter ended September 30, 2023. Also, the Company had recognised a gain of Rs. 3.24 crores in quarter ended June 30, 2023 which was reversed under the same head as 'other income' in the quarter ended September 30, 2023.

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Reporting of Segment-wise Revenue, Results, Assets and Liabilities

(Rs. in crores)

S. No.	Particulars	3 months ended September 30, 2024	Preceding 3 months ended June 30, 2024	Corresponding 3 months ended September 30, 2023	Half year ended September 30, 2024	Corresponding half year ended September 30, 2023	Previous year ended March 31, 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment revenue						
	(a) Lead	837.22	832.12	750.48	1,669.34	1,333.92	2,780.77
	(b) Aluminium	68.84	48.19	58.94	117.03	144.73	254.92
	(c) Plastics	19.22	20.62	19.48	39.84	37.66	78.02
	(d) Turnkey Projects	1.98	6.82	7.20	8.80	21.81	40.90
	(e) Others	0.16	0.11	0.08	0.27	1.45	6.14
	Total	927.42	907.86	836.18	1,835.28	1,539.57	3,160.75
	Less : Inter segment revenue	-	-	-	-	-	-
	Net segment revenue	927.42	907.86	836.18	1,835.28	1,539.57	3,160.75
2.	Segment results						
	(a) Lead	90.22	82.52	55.61	172.74	101.77	275.25
	(b) Aluminium	4.58	4.67	2.69	9.25	5.93	16.27
	(c) Plastics	3.61	3.11	3.18	6.72	6.87	11.74
	(d) Turnkey Projects	1.11	2.36	3.56	3.47	13.52	20.96
	(e) Others*	0.08	0.02	0.00	0.10	0.01	0.43
	Total	99.60	92.68	65.04	192.28	128.10	324.65
	Less:						
	(i) Finance costs	11.95	12.96	11.17	24.91	23.87	49.22
	(ii) Un-allocable income	(6.65)	(3.36)	(18.98)	(10.01)	(37.48)	(30.70)
	(iii) Un-allocable Expenses	9.58	8.02	5.85	17.60	13.55	31.98
	Profit before tax for the period/ year	84.72	75.06	67.00	159.78	128.16	274.15
	Less: Tax expense	12.80	7.06	8.16	19.86	16.77	31.87
	Profit after tax for the period/ year	71.92	68.00	58.84	139.92	111.39	242.28
3.	Segment assets						
	(a) Lead	1,236.85	1,227.59	998.68	1,236.85	998.68	1,131.91
	(b) Aluminium	242.14	176.26	179.65	242.14	179.65	165.09
	(c) Plastics	56.61	72.73	49.25	56.61	49.25	61.05
	(d) Turnkey Projects	27.16	33.90	49.11	27.16	49.11	26.66
	(e) Others	1.49	1.14	1.59	1.49	1.59	1.27
	(f) Unallocated	235.40	178.08	166.02	235.40	166.02	216.37
	Total Segment Assets	1,799.65	1,689.70	1,444.30	1,799.65	1,444.30	1,602.35
4.	Segment liabilities						
	(a) Lead	331.37	303.38	272.17	331.37	272.17	264.08
	(b) Aluminium	205.83	205.57	112.44	205.83	112.44	158.42
	(c) Plastics	14.06	23.67	16.52	14.06	16.52	19.64
	(d) Turnkey Projects	5.76	15.82	21.83	5.76	21.83	9.08
	(e) Others	3.68	4.62	3.72	3.68	3.72	4.03
	(f) Unallocated	297.74	268.92	338.48	297.74	338.48	296.53
	Total Segment Liabilities	858.44	821.98	765.16	858.44	765.16	751.78

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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Unaudited Consolidated Balance sheet as at September 30, 2024

(Rs. in crores)

Particulars	As at September 30, 2024 Unaudited	As at March 31, 2024 Audited
I. ASSETS		
Non-current assets		
Property, plant and equipment	366.86	342.11
Capital work-in-progress	31.70	42.76
Right-of-use assets	6.03	6.25
Intangible assets	0.12	0.14
Financial assets		
- Investments*	0.00	0.00
- Other financial assets	36.02	9.28
Deferred tax assets (net)	16.14	12.16
Non-current tax assets (net)	6.78	5.32
Other non-current assets	12.13	8.13
Total non-current assets	**475.78**	**426.15**
Current assets		
Inventories	791.67	674.63
Financial assets		
- Investments	7.44	16.50
- Trade receivables	204.87	264.33
- Cash and cash equivalents	33.38	35.81
- Bank balances other than cash and cash equivalents	57.60	62.97
- Loan	2.00	-
- Other financial assets	124.23	84.04
Other current assets	102.68	37.92
Total current assets	**1,323.87**	**1,176.20**
TOTAL ASSETS	1,799.65	1,602.35
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	13.81	13.81
Other equity	913.47	823.59
Equity attributable to owners of Holding Company	**927.28**	**837.40**
Non-controlling interests	13.93	13.17
Total equity	941.21	850.57
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	257.89	249.21
- Lease liabilities	1.61	1.78
Provisions	11.74	9.96
Deferred tax liabilities (net)	0.24	0.24
Other non-current liabilities	0.11	0.12
Total non-current liabilities	**271.59**	**261.31**
Current liabilities		
Financial liabilities		
- Borrowings	298.98	295.92
- Lease liabilities	0.64	0.68
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises ; and	7.93	3.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	92.06	64.32
- Other financial liabilities	163.78	103.05
Other current liabilities	14.09	17.12
Provisions	1.26	1.07
Current tax liabilities (net)	8.11	5.13
Total current liabilities	**586.85**	**490.47**
Total liabilities	**858.44**	**751.78**
TOTAL EQUITY AND LIABILITIES	1,799.65	1,602.35

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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Consolidated Unaudited Statement of Cash Flows for the period ended September 30, 2024

(Rs. in crores)

Particulars	For the period ended September 30, 2024 Unaudited	For the period ended September 30, 2023 Unaudited
A. Cash flow from operating activities		
Profit before tax	159.78	128.16
Adjustments for:		
Depreciation and amortisation expense	13.70	16.49
Loss on sale/ discard of property, plant and equipment (net)	0.49	0.31
Finance costs	24.91	23.87
Incentive income	-	(14.01)
Interest income on bank deposits	(2.29)	(2.66)
Income from mutual funds carried at faif value through profits and loss	(0.02)	(0.04)
Interest income on others	(1.77)	(1.33)
Liabilities/ provisions no longer required written back	(0.44)	(14.63)
Allowance for expected credit loss on financial assets (including write off)	0.57	0.14
Loss by natural calamities	-	1.03
Unrealised loss on restatement of financial assets and financial liabilities	19.26	5.93
Unrealised loss on financial assets measured at fair value through profit and loss	0.09	-
Operating profit before working capital changes	214.28	143.26
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(149.40)	23.49
Trade receivables	58.89	(100.95)
Other current and non-current assets	(67.71)	(10.56)
Other current and non-current financials assets	(66.93)	(5.30)
Adjustments for changes in operating liabilities:		
Trade payables	32.49	(17.02)
Other current and non-current financial liabilities	59.05	14.30
Other current and non-current liabilities	3.75	(7.08)
Provisions	1.80	2.43
Cash flow from operations	86.22	42.57
Income taxes paid (net of refund)	(19.86)	(16.77)
Net cash flow generated from operating activities (A)	66.36	25.80
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for suppliers payable and capital work-in-progress including capital advances)	(27.81)	(54.18)
Proceeds from sale of property, plant and equipment	0.18	0.13
Interest received	4.06	3.99
Movement in bank balances not considered as cash and cash equivalents (net)	5.37	(78.92)
Purchase of investments	9.06	(17.91)
Net cash used in investing activities (B)	(9.14)	(146.89)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	-	327.51
Repayment of non-current borrowings	(3.79)	(94.90)
Proceeds/ (repayment) of current borrowings (net)	4.64	(56.50)
Payment of lease liabilities	(0.31)	(0.76)
Finance cost paid	(24.81)	(23.75)
Dividend paid	(35.38)	(29.51)
Net cash (used) in/ generated from financing activities (C)	(59.65)	122.09
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(2.43)	1.00
Cash and cash equivalents at the beginning of the year	35.81	30.37
Cash and cash equivalents at the end of the period	33.38	31.37

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NOTES:

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on October 21, 2024. The limited review, as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been completed by the Statutory Auditors. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), as specified in section 133 of the Companies Act, 2013.

2. Key numbers of standalone financial results are given below. The standalone financial results of the Holding Company are available on the website of the Holding Company. (www.gravitaindia.com)

(Rs. in crores)

Particulars	3 months ended September 30, 2024	Preceding 3 months ended June 30, 2024	Corresponding 3 months ended September 30, 2023	Half year ended September 30, 2024	Corresponding half year ended September 30, 2023	Previous year ended March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	786.30	757.14	705.31	1,543.44	1,359.18	2,679.07
Profit before tax	59.33	42.76	50.63	102.09	98.57	208.22
Profit after tax	50.58	35.82	43.51	86.40	82.23	179.62
Total other comprehensive income	(0.06)	0.75	(0.19)	0.69	(0.26)	(1.62)
Total comprehensive income for the period/ year	50.52	36.57	43.32	87.09	81.97	178.00

3. As at 30 September 2024, 1,000,000 shares (previous year: 1,000,000 shares) of face value of Rs. 2 each, are held by Gravita Employee Welfare Trust.

4. Finance costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

5. During the quarter and half year ended September 30, 2024, the Holding Company has recognised Minimum Alternate Tax credit amounting to Rs. 2.34 crores and Rs 3.68 crores respectively, based on the management's estimate of future taxable profits.

6. During the previous year ended March 31, 2024, 380,500 shares of face value of Rs. 2 each of the Holding Company, held by the Gravita Employee Welfare Trust ('the Trust') had been sold in the open market and the proceeds from the sale of such shares, net of liability payable by the Trust, had to be recognized for the welfare of the employees of the Group as per the requirement of the Trust Deed. The Holding Company has no legal right or control towards the utilization of funds as accumulated in the Trust by sale of its investment in the open market. The Trust being an independent entity has sole responsibility / obligation to utilize the fund for the welfare of beneficiaries (employees of the Group) as per the terms of the trust deed. Ind AS 102 'Share-based payment' requires an entity to reflect in its profit or loss and financial position, the effects of share-based payment transactions, including expenses associated with the transactions in which share options are granted to employees. During the previous year ended March 31, 2024, the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') had been terminated. Post termination of the Scheme, the Trust has no obligation to make payment under any share- based payment scheme. The Trust will act independently and make distribution/usage of fund as per the purpose defined in the trust deed.

   For the aforesaid reason, the management of the Group is of the view that distribution/utilisation for the employee benefits, equivalent to appreciation, net of liability of the Trust, if any, received by the Trust by selling the investment in the open market amounting to Rs. 20.67 crores, would not be recognised in Holding Company's consolidated statement of profit and loss for the previous year ended March 31, 2024, as the transaction was not covered under Ind AS 102. The Group believes that all the appreciation on sale of such shares by the Trust pertains to the employees of the Group and will be utilised for the welfare of the employees by the Trust and there would not be any impact on the consolidated financial results. The Group had directly debited 'other equity' with the same amount towards creating a liability for utilisation of said amount for the employee welfare. Based on the independent legal opinion and its assessment, management of the Group is of the view that accounting treatment had been done appropriately in the consolidated financial results for the previous year ended March 31, 2024.

   The Employee Welfare Trust has not sold any shares of the Company in the open market during the current quarter and half year ended September 30, 2024.

   The statutory auditors of the Holding Company have modified their review report on account of the effects of this matter on the comparability of current period figures with the corresponding figures of employee benefit expenses and total comprehensive income for the year ended March 31, 2024 presented.

7. The Group conducts business operations in Ghana through its step down subsidiary Recyclers Ghana Limited. During the previous year ended March 31, 2024, according to the World Economic Outlook report issued by the International Monetary Fund, and based on economic conditions that currently exist in Ghana, the economy of Ghana was classified as hyperinflationary. The cumulative inflation over a three-year period in Ghana is more than 100 percent. Consequently, the management of the Holding Company has considered the impacts of application of Ind AS 29 'Financial Reporting in Hyper-Inflationary Economies' in the consolidated financial results for the quarter and half year ended September 30, 2024.

8. During the quarter and half year ended September 30, 2024, two of the step- down subsidiary of the Holding Company situated in Jamaica (Gravita Jamaica Ltd) and Costa Rica (Recyclers Costa Rica S.A.), have been closed. These subsidiaries did not have any business activity therefore this will not have any material financial impact on the financial results for the current quarter.

9. The Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

10. During the previous year ended March 31, 2024, the Holding Company had filed an appeal against the demand order received from the Office of the Commissioner of Customs (Preventive), Jodhpur amounting to Rs. 70.10 crore (excluding applicable interest, fine and penalty) for violating the 'pre-import conditions' as envisaged in advance authorisation licence pertaining to the period from October, 2017 to January 2019 vide notification no. 79/2017-Customs dated 17/10/2017 of The Custom Act, 1962. The management of the Holding Company, based on its overall assessment and independent legal and tax opinion believe that the Holding Company has a case on merit and question of law and accordingly, has contested the matter in appellate authorities. Basis above, the management of the Holding Company is of the view that the order will not have any material impact on its consolidated financial results and in case of any liability devolves on the Holding Company, the Holding Company will be entitled to take the credit of the tax amount. Considering all available records, facts and opinion of legal and tax counsel, the Holding Company has not identified any adjustments in the Consolidated financial results.

For and on behalf of the Board of Directors
For Gravita India Limited

Yogesh Malhotra
Whole time Director & CEO
DIN: 05332393

Place: Jaipur
Date: October 21, 2024

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Gravita India Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2023 and the consolidated year to date results for the period 1 April 2023 to 30 September 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. As stated in note 5 to the accompanying Statement, the Group has not accounted for the employee benefit expenses in the accompanying Statement for the period ended 30 September 2023 related to gain on sale of certain treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') terminated during the period, which has been credited to Other Equity as per Ind AS 32, Financial Instruments: Presentation. As explained in the said note, proceeds from sale of such treasury shares, net of liability of the Trust, if any, are proposed to be used for the welfare of the employees of the Group, as required under applicable statutory regulations and as per the terms of the trust deed. In our view, the Group should account for such benefits given to employees as employee benefit expenses in the Statement of Profit and Loss in accordance with the principles of Ind AS 102 – Share Based Payments. However, the Group has created a liability for such employee welfare by directly debiting 'Other Equity' in the accompanying financial results.

   Had the Group accounted for the aforesaid transaction in accordance with the requirements as stated above, employee benefit expenses would be higher by Rs. 20.23 crores, profit before tax and total comprehensive income for the period ended 30 September 2023 would have been lower by Rs. 20.23 crores. There would not be any impact on the Other Equity of the Group.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial results of 20 subsidiaries included in the Statement, whose financial information reflects total assets of Rs. 666.38 crores as at 30 September 2023, and total revenues of Rs. 335.25 crores and Rs. 612.04 crores, total net profit after tax of Rs. 15.33 crores and Rs. 30.19 crores, total comprehensive income of Rs. 12.93 crores and Rs. 25.35 crores, for the quarter and year-to-date period ended on 30 September 2023, respectively, and cash flows (net) of Rs. 3.15 crores for the period ended 30 September 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

7. The Statement also includes the interim financial information of 6 subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflects total assets of Rs. 18.62 crores as at 30 September 2023, and total revenues of Rs. 0.00* crores and Rs. 0.00* crores, net profit after tax of Rs. 0.91 crores and Rs. 1.63 crores, total comprehensive income of Rs. 0.96 crores and Rs. 1.63 crores for the quarter and year-to-date period ended 30 September 2023 respectively, cash flow (net) of Rs. (0.02) crores for the period ended 30 September 2023 as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the interim financial information certified by the Board of Directors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No. 507000
UDIN: 23507000BGYEVX6982

Place: Jaipur
Date: 31 October 2023

**Rounded off to 0.00"*

Annexure 1

List of entities included in the Statement

Subsidiaries (including of Partnership firms and trust)

1. Gravita Infotech Limited
2. Gravita Ghana Limited
3. Gravita Mozambique LDA
4. Noble Build Estate Private Limited
5. Gravita Global Pte Limited
6. Navam Lanka Limited
7. Gravita Netherlands BV
8. Gravita Senegal S.A.U
9. Gravita Jamaica Limited
10. Gravita Ventures Limited
11. Gravita USA Inc.
12. Gravita Mali SA
13. Recyclers Gravita Costa Rica SA
14. Gravita Tanzania Limited
15. Recyclers Ghana Limited
16. Mozambique Recyclers LDA
17. M/s Gravita Metal Inc.
18. M/s Gravita Infotech
19. M/s Recycling Infotech LLP
20. Gravita Employee Welfare Trust
21. Gravita Togo SAU
22. Green Recyclers Mozambique LDA
23. Gravita Nicargua S.A. (till 5 April 2023)
24. Gravita Conakry S.A.U. (from 14 June 2023)
25. Gravita Gulf DMCC (from 3 August 2023)
26. Gravita Dominicana S.A.S. (from 10 August 2023)

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Statement of Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2023 (Rs. in crores)

	Particulars	3 months ended September 30, 2023	Preceding 3 months ended June 30, 2023	Corresponding 3 months ended September 30, 2022	Half year ended September 30, 2023	Corresponding half year ended September 30, 2022	Previous year ended March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	**Income**						
	Revenue from operations	836.18	703.39	682.69	1,539.57	1,262.39	2,800.60
	Other income***	14.13	23.35	6.92	37.48	57.23	93.08
	Total income	850.31	726.74	689.61	1,577.05	1,319.62	2,893.68
II	**Expenses**						
	Cost of materials consumed	669.32	572.20	511.32	1,241.52	1,006.93	2,295.42
	Purchase of stock-in-trade	3.42	7.60	7.21	11.02	11.36	20.77
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.67	(16.92)	37.20	(9.25)	14.60	(34.17)
	Employee benefits expense	31.46	39.26	29.56	70.72	62.98	133.56
	Finance costs	11.17	12.70	9.86	23.87	20.63	39.14
	Depreciation and amortisation expense	8.57	7.92	5.57	16.49	10.96	23.96
	Other expenses***	51.70	42.82	38.71	94.52	91.99	187.41
	Total expenses	783.31	665.58	639.43	1,448.89	1,219.47	2,666.09
III	**Profit before tax and share of (loss) in associate (I - II)**	67.00	61.16	50.18	128.16	100.15	227.59
IV	Share of (loss) of an associate*	-	-	(0.00)	-	(0.00)	(0.00)
V	**Profit before tax (III + IV)**	67.00	61.16	50.18	128.16	100.15	227.59
VI	**Tax expenses**						
	Current tax (including earlier years)	9.10	6.69	2.09	15.79	9.45	30.53
	Deferred tax (credit)/ charge (refer note 4)	(0.94)	1.92	3.11	0.98	1.07	(7.03)
	Total tax expenses	8.16	8.61	5.20	16.77	10.52	23.50
VII	**Profit for the period/ year (V - VI)**	58.84	52.55	44.98	111.39	89.63	204.09
VIII	**Other comprehensive income**						
	Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit liabilities	(0.30)	(0.10)	0.02	(0.40)	0.03	(0.80)
	Income tax on above items	0.11	0.03	(0.01)	0.14	(0.01)	0.28
	Items that will be reclassified to profit or loss						
	Foreign currency translation reserve	(5.02)	(2.29)	(1.71)	(7.31)	(4.74)	0.18
	Change in fair value of hedging instruments*	-	-	(0.18)	-	(2.47)	0.00
	Income tax on above items*	-	-	(1.03)	-	0.43	(0.00)
	Total other comprehensive income, net of tax	(5.21)	(2.36)	(2.91)	(7.57)	(6.76)	(0.34)
IX	**Total comprehensive income for the period/ year (VII + VIII)**	53.63	50.19	42.07	103.82	82.87	203.75
	Profit for the period/ year attributable to:						
	Owners of the Holding Company	57.86	52.08	44.57	109.94	87.09	201.10
	Non-controlling interests	0.98	0.47	0.41	1.45	2.54	2.99
	Total other comprehensive income for the period/ year attributable to:						
	Owners of the Holding Company	(4.92)	(2.83)	(3.18)	(7.75)	(5.51)	(0.44)
	Non-controlling interests	(0.29)	0.47	0.27	0.18	(1.25)	0.10
	Total comprehensive income for the period/ year attributable to:						
	Owners of the Holding Company	52.94	49.25	41.39	102.19	81.58	200.66
	Non-controlling interests	0.69	0.94	0.68	1.63	1.29	3.09
X	Paid-up equity share capital (face value of Rs. 2/- each)	13.81	13.81	13.81	13.81	13.81	13.81
XI	Other equity						575.12
XII	Earnings per share** (in Rs.)						
	Basic	8.52	7.70	6.59	16.22	12.87	29.72
	Diluted	8.52	7.70	6.59	16.22	12.87	29.72

* Certain amounts that are required to be disclosed or do not appear due to rounding-off are expressed as "0.00".

** Earning per share not annualised except for year ended March 31, 2023

*** including Rs. 8.63 crores and Rs 5.39 crores towards loss on commodity forward contracts pertaining to quarter ended September 30, 2023 and half year ended September 30, 2023 respectively which has been classified as 'other expenses' in these consolidated financial results. However, the Holding Company has recognised a gain of Rs 3.24 crores in quarter ended June 30, 2023 which has been classified as 'other income'.

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Reporting of Segment-wise Revenue, Results, Assets and Liabilities (Rs. in crores)

S. No.	Particulars	3 months ended September 30, 2023	Preceding 3 months ended June 30, 2023	Corresponding 3 months ended September 30, 2022	Half year ended September 30, 2023	Corresponding half year ended September 30, 2022	Previous year ended March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment revenue						
	(a) Lead	750.48	583.44	568.32	1,333.92	1,050.23	2,333.45
	(b) Aluminium	58.94	85.79	77.53	144.73	142.94	338.81
	(c) Plastics	19.48	18.18	31.50	37.66	61.16	104.50
	(d) Turnkey Projects	7.20	14.61	5.20	21.81	6.77	19.03
	(e) Others	0.08	1.37	0.14	1.45	1.29	4.81
	Total	**836.18**	**703.39**	**682.69**	**1,539.57**	**1,262.39**	**2,800.60**
	Less : Inter segment revenue	-	-	-	-	-	-
	Net segment revenue	**836.18**	**703.39**	**682.69**	**1,539.57**	**1,262.39**	**2,800.60**
2.	Segment results						
	(a) Lead	55.61	46.16	50.59	101.77	98.61	209.71
	(b) Aluminium	2.69	3.24	5.85	5.93	11.14	28.41
	(c) Plastics	3.18	3.69	3.55	6.87	6.79	15.03
	(d) Turnkey Projects	3.56	9.96	1.41	13.52	1.56	11.73
	(e) Others*	0.00	0.01	0.08	0.01	0.17	0.69
	Total	**65.04**	**63.06**	**61.48**	**128.10**	**118.27**	**265.57**
	Less:						
	(i) Finance costs	11.17	12.70	9.86	23.87	20.63	39.14
	(ii) Un-allocable income	(18.98)	(18.50)	(5.64)	(37.48)	(17.57)	(36.31)
	(iii) Un-allocable expenses	5.85	7.70	7.08	13.55	15.06	35.15
	(iv) Share of loss of associate*	-	-	(0.00)	-	(0.00)	(0.00)
	Profit before tax for the period/ year	**67.00**	**61.16**	**50.18**	**128.16**	**100.15**	**227.59**
	Less: Tax expense	8.16	8.61	5.20	16.77	10.52	23.50
	Profit after tax for the period/ year	**58.84**	**52.55**	**44.98**	**111.39**	**89.63**	**204.09**
3.	Segment assets						
	(a) Lead	998.68	997.81	744.49	998.68	744.49	890.65
	(b) Aluminium	179.65	183.97	108.35	179.65	108.35	197.42
	(c) Plastics	49.25	41.49	43.76	49.25	43.76	21.36
	(d) Turnkey Projects	49.11	39.64	29.59	49.11	29.59	39.99
	(e) Others	1.59	1.62	0.74	1.59	0.74	2.09
	(f) Unallocated	166.02	36.37	58.66	166.02	58.66	53.69
	Total Segment Assets	**1,444.30**	**1,300.90**	**985.59**	**1,444.30**	**985.59**	**1,205.20**
4.	Segment liabilities						
	(a) Lead	272.17	262.31	206.69	272.17	206.69	312.51
	(b) Aluminium	112.44	116.43	96.80	112.44	96.80	113.23
	(c) Plastics	16.52	11.29	13.19	16.52	13.19	12.51
	(d) Turnkey Projects	21.83	14.88	12.56	21.83	12.56	4.98
	(e) Others	3.72	4.46	32.03	3.72	32.03	3.16
	(f) Unallocated	338.48	239.93	142.74	338.48	142.74	157.11
	Total Segment Liabilities	**765.16**	**649.30**	**504.01**	**765.16**	**504.01**	**603.50**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

GRAVITA INDIA LIMITED

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Unaudited Consolidated Balance sheet as at September 30, 2023 (Rs. in crores)

Particulars	As at September 30, 2023 Unaudited	As at March 31, 2023 Audited
I. ASSETS		
Non-current assets		
Property, plant and equipment	291.99	266.44
Capital work-in-progress	56.64	45.50
Right-of-use assets	6.30	6.75
Other intangible assets	0.11	0.13
Financial assets		
- Investments*	0.00	0.00
- Other financial assets	13.85	8.23
Deferred tax assets (net)	3.85	6.40
Non-current tax assets (net)	0.73	0.36
Other non-current assets	4.79	7.89
Total non-current assets	**378.26**	**341.70**
Current assets		
Inventories	572.98	596.47
Financial assets		
- Investments	19.05	1.11
- Trade receivables	237.83	137.02
- Cash and cash equivalents	31.37	30.37
- Bank balances other than cash and cash equivalents	86.67	7.75
- Loan	-	0.50
- Other financial assets	61.24	47.05
Other current assets	56.90	43.23
Total current assets	**1,066.04**	**863.50**
TOTAL ASSETS	**1,444.30**	**1,205.20**
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	13.81	13.81
Other equity	654.64	575.12
Equity attributable to owners of Holding Company	**668.45**	**588.93**
Non-controlling interests	10.69	12.77
Total equity	**679.14**	**601.70**
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	323.00	90.39
- Lease liabilities	1.87	2.53
- Other financial liabilities	-	11.63
Provisions	6.66	6.53
Deferred tax liabilities (net)	0.30	0.30
Other non-current liabilities	0.13	0.14
Total non-current liabilities	**331.96**	**111.52**
Current liabilities		
Financial liabilities		
- Borrowings	197.57	254.07
- Lease liabilities	0.63	0.73
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises ; and	9.62	2.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	62.58	87.07
- Other financial liabilities	141.31	115.38
Other current liabilities	12.53	18.87
Provisions	2.71	0.72
Current tax liabilities (net)	6.25	12.99
Total current liabilities	**433.20**	**491.98**
Total liabilities	**765.16**	**603.50**
TOTAL EQUITY AND LIABILITIES	**1,444.30**	**1,205.20**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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Consolidated Unaudited Cash Flow Statement for the period ended September 30, 2023 (Rs. in crores)

Particulars	For the period ended September 30, 2023	For the period ended September 30, 2022
	Unaudited	Unaudited
A. Cash flow from operating activities		
Profit before tax	**128.16**	**100.15**
Adjustments for:		
Depreciation and amortisation expense	16.49	10.98
Loss on sale/ discard of property, plant and equipment (net)	0.31	0.97
Share of loss of associates*	-	0.00
Finance costs	23.87	20.63
Incentive income	(14.01)	(0.01)
Interest income on bank deposits	(2.66)	(0.19)
Net increase in fair value of current Investment	(0.04)	-
Interest income on others	(1.33)	(0.47)
Liabilities/ provisions no longer required written back	(14.63)	(0.38)
Allowance for expected credit loss on financial assets (including write off)	0.14	0.96
Employees stock appreciation rights expense	-	1.08
Loss by natural calamities	1.03	-
Unrealised loss on restatement of financial assets and financial liabilities	5.93	-
Unrealised (gain) on financial assets measured at fair value through profit and loss	-	(2.66)
Operating profit before working capital changes	**143.26**	**131.06**
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	23.49	20.21
Trade receivables	(100.95)	21.56
Other current and non-current assets	(10.56)	11.41
Other current and non-current financials assets	(5.30)	(16.29)
Adjustments for changes in operating liabilities:		
Trade payables	(17.02)	(18.67)
Other current and non-current financial liabilities	14.30	(5.89)
Other current and non-current liabilities	(7.08)	21.64
Provisions	2.43	(3.07)
Cash flow from operations	**42.57**	**161.96**
Income taxes paid (net of refund)	(16.77)	(10.52)
Net cash flow generated from operating activities (A)	**25.80**	**151.44**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for suppliers payable and capital work-in-progress including capital advances)	(54.18)	(44.02)
Proceeds from sale of property, plant and equipment	0.13	0.03
Interest received	3.99	0.66
Movement in bank balances not considered as cash and cash equivalents (net)	(78.92)	2.48
Purchase of investments	(17.91)	-
Net cash used in investing activities (B)	**(146.89)**	**(40.85)**
C. Cash flow from financing activities		
Proceeds from non-current borrowings	327.51	30.88
Repayment of non-current borrowings	(94.90)	(40.11)
Repayment of current borrowings (net)	(56.50)	(81.68)
Payment of lease liabilities	(0.76)	(0.41)
Finance cost paid	(23.75)	(20.49)
Dividend paid	(29.51)	(3.85)
Net cash generated from/ (used) in financing activities (C)	**122.09**	**(115.66)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1.00**	**(5.07)**
Cash and cash equivalents at the beginning of the year	30.37	23.42
Cash and cash equivalents at the end of the period	**31.37**	**18.35**

* Certain amounts that are required to be disclosed or do not appear due to rounding-off are expressed as "0.00".

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NOTES:

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors as its meeting held on October 31, 2023. The limited review, as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been completed by the Statutory Auditors. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), as specified in section 133 of the Companies Act, 2013.

2. Key numbers of **standalone financial results** are given below. The standalone financial results of the Holding Company are available on the website of the Holding Company. (www.gravitaindia.com)

(Rs. in crores)

Particulars	3 months ended September 30, 2023	Preceding 3 months ended June 30, 2023	Corresponding 3 months ended September 30, 2022	Half year ended September 30, 2023	Corresponding half year ended September 30, 2022	Previous year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	705.31	653.87	618.17	1,359.18	1,121.27	2,524.39
Profit before tax	50.63	47.94	20.72	98.57	41.00	116.25
Profit after tax	43.51	38.72	16.43	82.23	32.76	101.15
Total other comprehensive income	(0.19)	(0.07)	(0.14)	(0.26)	(2.02)	(0.51)
Total comprehensive income for the period/ year	43.32	38.65	16.29	81.97	30.74	100.64

3. As at 30 September 2023, 10,00,000 shares (previous period: 1,380,500 shares) of face value of Rs. 2 each, are held by Gravita Employee Welfare Trust. Further, the proceeds from the sale of 3,80,500 shares, net of liability payable by the Gravita Employee Welfare Trust, will be used for the benefit of the employees of the Group.

4. During the quarter and half year ended September 30, 2023 and quarter ended March 31, 2023, the Holding Company has recognised Minimum Alternate Tax credit amounting to Rs. 4.00 crores and Rs. 10.00 crores, respectively, based on the management's estimate of future taxable profits.

5. During the period ended 30 September 2023, 380,500 shares of face value of Rs. 2 each of the Holding Company, held by the Gravita Employee Welfare Trust ('the Trust') has been sold in the open market and the proceeds from the sale of such shares, net of liability payable by the Trust, will be recognize for the welfare of the employees of the Group as per the requirement of the Trust Deed. The Holding Company has no legal right or control towards the utilization of funds as accumulated in the Trust by sale of its investment in the open market. The Trust being an independent entity has sole responsibility / obligation to utilize the fund for the welfare of beneficiaries (employees of the Group) as per the terms of the trust deed.

   Ind AS 102 'Share-based payment' requires an entity to reflect in its profit or loss and financial position, the effects of share-based payment transactions, including expenses associated with the transactions in which share options are granted to employees. During the previous reporting periods, the Holding Company had recorded the transactions as per Ind AS 102 and in the previous quarter, the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') has been terminated.

   Post termination of the Scheme, the Trust has no obligation to make payment under any share- based payment scheme. The Trust will act independently and make distribution/usage of fund as per the purpose defined in the trust deed.

   For the aforesaid reason, the management of the Group is of the view that distribution/utilisation for the employee benefits, equivalent to appreciation, net of liability of the Trust, if any, received by the Trust by selling the investment in the open market amounting to Rs. 20.23 crores, will not be recognised in Holding Company's consolidated statement of profit and loss, as the transaction is not covered under Ind AS 102. The Group believe that all the appreciation on sale of such shares by the Trust pertains to the employees of the Group and will be utilised for the welfare of the employees by the Trust and there would not be any impact on the financial results. The Group has directly debited 'other equity' with the same amount towards creating a liability for utilisation of said amount for the employee welfare. Based on the independent opinion and its assessment, management of the Group is of the view that accounting treatment has been done appropriately in the consolidated financial results.

6. During the quarter ended 30 September 2023, the Holding Company has filed an appeal against the demand order received in the previous quarter from the Office of the Commissioner of Customs (Preventive), Jodhpur amounting to Rs. 70.10 crore (excluding applicable interest, fine and penalty) for violating the 'pre-import conditions' as envisaged in advance authorisation licence pertaining to the period from October, 2017 to January 2019 vide notification no. 79/2017-Customs dated 17/10/2017 of The Custom Act, 1962. The management of the Holding Company, based on its overall assessment and independent legal and tax opinion believe that the Holding Company has a case on merit and question of law and accordingly, contest the matter in appellate authorities. Basis above, the management of the Holding Company is of the view that the order will not have any material impact on its financial results and in case of any liability devolves on the Holding Company, the Holding Company will be entitled to take the credit of the tax amount. Considering all available records, facts and opinion of legal and tax counsel, the Holding Company has not identified any adjustments in the current period consolidated financial results.

7. During the quarter ended September 30, 2023, Gravita Netherlands B.V., a step down subsidiary company of the Holding Company has invested in new wholly owned subsidiaries namely Gravita Gulf DMCC and Gravita Dominicana S.A.S.

8. The figures of previous period have been regrouped/ reclassed to make them comparative with those of current period wherever considered necessary. The impact of such reclassification/regrouping is not material to the consolidated financial results.

For and on behalf of the Board of Directors
For Gravita India Limited

GRAVITA INDIA LIMITED

Yogesh Malhotra
Whole time Director & CEO
DIN: 05332393

Place: Jaipur
Date: October 31, 2023

V

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Independent Auditor's Report

To the Members of Gravita India Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

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Basis for Qualified Opinion

3. As stated in note 44 to the accompanying Consolidated Financial Statements, the Group has not accounted for the employee benefit expenses in the accompanying Consolidated Financial Statements for the year ended 31 March 2024 related to gain on sale of certain treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') terminated during the year, which has been credited to Other Equity as per Ind AS 32, Financial Instruments: Presentation. As explained in the said note, proceeds from sale of such treasury shares, net of liability of the Trust, if any, are proposed to be used for the welfare of the employees of the Group, as required under applicable statutory regulations and as per the terms of the trust deed. In our view, the Group should account for such benefits to be given to employees as employee benefit expenses in the Statement of Profit and Loss in accordance with the principles of Ind AS 102 – Share Based Payments. However, the Group has created a liability for such employee welfare expense by directly debiting 'Other Equity' in the accompanying Consolidated Financial Statements.

   Had the Group accounted for the aforesaid transaction in accordance with the requirements as stated above, employee benefit expenses would be higher by Rs. 20.67 crores and profit before tax and total comprehensive income would have been lower by Rs. 20.67 crores for the year ended 31 March 2024, respectively. There would not be any impact on the Other Equity of the Group.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matter

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

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6. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer note 1(F)(IX) and note 24 to the accompanying consolidated financial statements for the material accounting policy on revenue recognition and details of revenue recognised during the year. The revenues of the Group consists primarily of sale of lead and lead related products to the customers and is recognized at a point in time when the control of products being sold is transferred to the customer, and there is no unfulfilled obligation. Revenue towards a performance obligation is measured at the amount of transaction price allocated to that performance obligation and is accounted for net of rebates or discounts. Owing to the diverse terms of contracts with customers, in line with the requirements of the standards of auditing, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention. Further, the application of Ind AS 115 - Revenue from Contracts with Customers ('Ind AS 115') requires management to make certain judgements / estimates such as determining timing of revenue recognition and transaction price as per the terms of the contracts with customers. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is critical as there is a risk of revenue being recognised before the control is transferred to the customers. Considering the diverse terms of contracts with customers, materiality of the amount involved and significant attention required by auditor as mentioned above, revenue recognition has been identified as a key audit matter for the current year audit.	**Our audit work in relation to revenue recognition included, but was not limited to, the following procedures:** a) Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115; b) Evaluated the design and tested the operating effectiveness of the general IT control environment and the manual internal financial controls for recognition of revenue; c) Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, customer analysis, etc.; d) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods to assess the accuracy and completeness of revenue recognized during the year in accordance with Ind AS 115; e) Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period; f) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; g) Performed test of details on a sample of revenue transactions recorded during the year including specific periods before and after the year end. For the samples selected, inspected supporting documents such as invoices, goods dispatch notes, shipping documents, agreements etc. to ensure correct amount of revenue is recorded in the correct period; h) Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and i) Ensured the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 115.

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Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

16. We did not audit the financial statements of 27 subsidiaries, whose financial statements reflect total assets of ₹ 763.32 crores as at 31 March 2024, total revenues of ₹ 1,277.63 crores and net cash inflows amounting to ₹ 11.63 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. We did not audit the financial information of 1 subsidiary, whose financial information reflects total assets of ₹ 1.31 crores as at 31 March 2024, total revenues of ₹ 0.12 crores and net cash inflows amounting to ₹ 0.10 crores for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company and one subsidiary incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one subsidiary incorporated in India whose financial statements has been audited under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

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19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section and except for the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) Except for the effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

    f) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed a modified opinion; and

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h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 34(a) to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries covered under the Act, during the year ended 31 March 2024;

iv.

a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 52(viii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 52(ix) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

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v. The final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, the interim dividend declared by the Holding Company is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. However, the said dividend is not paid on the date of this audit report

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, the Holding company and its subsidiaries, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of accounting records by the Holding Company, as stated in note 52(x) to the Consolidated financial statements.

In the absence of any information on the existence of audit trail feature in the 'Type 2 report' issued by Independent Service Auditor in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information), we are unable to comment on whether audit trail feature at the database level of the accounting software used for maintenance of employee records of the Holding Company was enabled and operated throughout the year.

Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with where such feature was enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

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Manish Agrawal
Partner
Membership No.: 507000
UDIN: 24507000BKDHNP9624

Place: Jaipur
Date: 30 April 2024

Annexure 1

List of entities included in the Consolidated Financial Statements (in addition to Holding Company)

Subsidiaries (including of Partnership firms and trust)

1. Gravita Infotech Limited
2. Gravita Ghana Limited
3. Gravita Mozambique LDA
4. Noble Build Estate Private Limited
5. Gravita Global Pte Limited
6. Navam Lanka Limited
7. Gravita Netherlands BV
8. Gravita Senegal S.A.U
9. Gravita Jamaica Limited
10. Gravita Ventures Limited
11. Gravita USA Inc.
12. Recyclers Gravita Costa Rica SA
13. Gravita Tanzania Limited
14. Recyclers Ghana Limited
15. Mozambique Recyclers LDA
16. Gravita Metal Inc.
17. Gravita Infotech
18. Recycling Infotech LLP
19. Gravita Employee Welfare Trust
20. Gravita Togo SAU
21. Green Recyclers Mozambique LDA
22. Gravita Mali SA (till 21 August 2023)
23. Gravita Nicargua S.A. (till 5 April 2023)
24. Gravita Conakry S.A.U. (from 14 June 2023)
25. Gravita Gulf DMCC (from 3 August 2023)
26. Gravita Dominicana S.A.S. (from 10 August 2023)
27. Recyclers South Africa (PTY) Ltd (from 10 October 2023)
28. Green Recyclers LLC (from 25 October 2023)

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Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2024

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

1. In conjunction with our audit of the consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

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

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Qualified Opinion

8. According to the information and explanations given to us and based on our audit and consideration of the report of the other auditors on internal financial controls with reference to financial statements of subsidiaries, the following material weakness has been identified in the operating effectiveness of the Holding Company's internal financial controls with reference to consolidated financial statements as at 31 March 2024:

   The Holding Company's internal financial controls over recognition of employee benefit expenses with respect to sale of treasury shares of the Holding Company held by Gravita Employee Welfare Trust pursuant to the scheme, in accordance with the requirement of Ind AS 102, "Share Based Payments" were not operating effectively, which has resulted in a material misstatement in employee benefit expenses and its consequential impact on earnings, presentation of equity and related disclosures in the consolidated financial statements, as explained in Note 44 to the accompanying consolidated financial statements.

9. A material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

10. In our opinion, and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Group's internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2024.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2024 (Contd)

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2024, and the material weakness has affected our opinion on the consolidated financial statements of the Group, and we have issued a qualified opinion on the consolidated financial statements.

Other Matter

12. We did not audit the internal financial controls with reference to consolidated financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 1.62 crores and net assets of ₹ 1.56 crores as at 31 March 2024, total revenues of ₹ 0.26 crores and net cash inflows amounting to ₹ Nil crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 24507000BKDHNP9624

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Place: Jaipur
Date: 30 April 2024

Gravita India Limited
Consolidated Balance Sheet as at March 31, 2024
(All amounts in Rs. crores, unless otherwise stated)
CIN:L29308RJ1992PLC006870

GRAVITA

Particulars	Note	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
Non-current assets			
Property, plant and equipment	2	342.11	266.44
Capital work-in-progress	3	42.76	45.60
Right-of-use assets	4	6.25	0.76
Intangible assets	5	0.14	0.13
Financial assets			
- Investments*	6	0.00	0.00
- Other financial assets	8	9.78	8.23
Deferred tax assets (net)	21	12.16	5.40
Non-current tax assets (net)	9(a)	5.32	0.36
Other non-current assets	10	8.13	7.89
Total non-current assets		**426.15**	**341.70**
Current assets			
Inventories	11	674.69	596.47
Financial assets			
- Investments	6	16.50	1.11
- Trade receivables	12	264.33	137.02
- Cash and cash equivalents	13	35.81	30.37
- Bank balances other than cash and cash equivalents	14	62.97	7.75
- Loans	7	-	0.50
- Other financial assets	8	84.04	47.05
Other current assets	10	37.92	43.23
Total current assets		**1,176.20**	**863.50**
TOTAL ASSETS		**1,602.35**	**1,205.20**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	13.81	13.81
Other equity	16	823.59	575.12
Equity attributable to owners of the Holding Company		**837.40**	**588.93**
Non-controlling interests		13.17	12.77
Total equity		**850.57**	**601.70**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	249.21	90.39
- Lease liabilities	18	1.78	2.53
- Other financial liabilities	19		11.53
Provisions	20	9.96	6.53
Deferred tax liabilities (net)	21	0.24	0.30
Other non-current liabilities	22	0.12	0.14
Total non-current liabilities		**261.31**	**111.52**
Current liabilities			
Financial liabilities			
- Borrowings	17	295.92	234.07
- Lease liabilities	18	0.68	0.73
- Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises; and		3.18	2.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		64.32	67.07
- Other financial liabilities	19	103.05	115.38
Other current liabilities	22	17.12	13.87
Provisions	20	1.07	0.72
Current tax liabilities (net)	9(b)	5.13	12.98
Total current liabilities		**490.47**	**491.98**
Total liabilities		**751.78**	**603.50**
TOTAL EQUITY AND LIABILITIES		**1,602.35**	**1,205.20**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: April 30, 2024
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: April 30, 2024
Place: Jaipur

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Particulars		Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Income			
	Revenue from operations	24	3,160.75	2,800.60
	Other income	25	77.81	93.08
	Total Income (I)		**3,238.56**	**2,893.68**
II	Expenses			
	Cost of materials consumed	26	2,559.24	2,295.42
	Purchases of stock-in-trade	27	13.05	20.77
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(11.10)	(34.17)
	Employee benefits expense	29	131.24	133.56
	Finance costs	30	49.22	39.14
	Depreciation and amortisation expense	31	37.99	23.96
	Other expenses	32	184.77	157.41
	Total expenses (II)		**2,964.41**	**2,666.09**
III	**Profit before tax and share of (loss) in associate (I - II)**		**274.15**	**227.59**
IV	Share of (loss) of associate*		-	(0.00)
V	**Profit before tax (III + IV)**		**274.15**	**227.59**
VI	**Tax expense**	33		
	- Current tax (including earlier years)		36.76	30.53
	- Deferred tax credit		(4.89)	(7.03)
	Total tax expense		**31.87**	**23.50**
VII	**Profit for the year (V - VI)**		**242.28**	**204.09**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		(1.69)	(0.80)
	Income tax on above items		0.59	0.28
	Items that will be reclassified to profit or loss			
	Foreign currency translation reserve		(9.69)	0.18
	Change in fair value of hedging instruments*		(0.98)	0.00
	Income tax on above items*		0.34	(0.00)
	Total other comprehensive loss, net of tax		**(11.43)**	**(0.34)**
IX	**Total comprehensive income for the year (VII + VIII)**		**230.85**	**203.75**
	Profit for the year attributable to			
	- Owners of the Holding Company		239.19	201.10
	- Non controlling interests		3.09	2.99
	Other comprehensive (loss) / income for the year attributable to			
	- Owners of the Holding Company		(12.45)	(0.44)
	Non-controlling interests		1.02	0.10
	Total comprehensive income for the year attributable to			
	Owners of the Holding Company		226.74	200.66
	- Non-controlling interests		4.11	3.09
X	Earnings per share	36		
	Basic (Rs.)		34.88	29.72
	Diluted (Rs.)		34.88	29.72

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as '0.00'.

The accompanying notes are an integral part of the consolidated financial statements.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: April 30, 2024
Place: Jaipur

Date: April 30, 2024
Place: Jaipur

Gravita India Limited

Consolidated Statement of Cash Flow for the year ended March 31, 2024

(All amounts in Rs. crores, unless otherwise stated)

CIN:L29308RJ1992PLC006870

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	274.15	227.59
Adjustments for:		
Depreciation and amortisation expense	37.99	23.96
Loss on sale/discard of property, plant and equipment (net)	1.22	0.06
Share of loss of associates^	-	0.00
Finance cost	49.22	39.14
Incentive income	-	(10.90)
Interest income on bank deposits	(8.13)	(0.36)
Income from mutual funds carried at fair value through profit and loss	(0.08)	(0.01)
Interest income on others	(2.71)	(0.36)
Insurance claim received	(1.59)	(1.62)
Liabilities / provisions no longer required written back	(15.81)	(0.38)
Allowance for expected credit loss on financial assets (including write off)	2.44	9.65
Unrealised (gain) / loss on financial assets measured at fair value through profit and loss	(0.29)	1.39
Employee stock appreciation rights expense	-	6.95
Loss by natural calamities	2.02	1.66
Net (gain)/ loss on foreign currency translation	(1.53)	4.18
Loss on sale of investment	-	4.50
Investment in associate written-off	-	0.01
Operating profit before working capital changes	**336.90**	**305.31**
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(53.41)	(87.52)
Trade receivables	(129.75)	(39.71)
Other current and non current assets	5.46	6.86
Other current and non-current financial assets	(37.70)	(11.77)
Adjustments for changes in operating liabilities:		
Trade payables	(21.72)	35.85
Other current and non-current financial liabilities	(10.42)	3.58
Other current and non-current liabilities	(1.16)	14.10
Provisions	3.78	(3.54)
Cash generated from operations	**91.98**	**223.16**
Income taxes paid (net of refund)	(49.58)	(23.50)
Net cash flow generated from operating activities (A)	**42.40**	**199.66**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(98.18)	(107.76)
Proceeds from sale of property, plant and equipment	0.14	1.41
Interest received	10.84	0.74
Movement in bank balances not considered as cash and cash equivalents (net)	(55.22)	1.36
Purchase of investments	(15.39)	(1.10)
Net cash used in investing activities (B)	**(157.81)**	**(105.35)**

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash flow from financing activities		
Proceeds from non-current borrowings	240.75	20.98
Repayment of non-current borrowings	(81.93)	(40.11)
Proceeds from / (repayment) of current borrowings (net)	40.87	(24.21)
Payment of lease liabilities	(1.09)	(0.83)
Finance cost paid	(48.24)	(38.87)
Dividends paid	(29.51)	(4.32)
Net cash generated from/ (used) in financing activities (C)	**120.85**	**(87.36)**
Net increase in cash and cash equivalents (A+B+C)	**5.44**	**6.95**
Cash and cash equivalents at the beginning of the year	30.37	23.42
Cash and cash equivalents at the end of the year (refer note 13)	35.81	30.37

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as "0.00".
The above Consolidated Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7, 'Statement of Cash flow'.

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: April 30, 2024
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CE
DIN: 05332393

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: April 30, 2024
Place: Jaipur

Gravita India Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2024
(All amounts in Rs. crores, unless otherwise stated)
CIN: L29308RJ1992PLC006870

GRAVITA

(a) Equity share capital (refer note 15)

Particulars	Balance as at April 1, 2022	Changes during the year	Balance as at March 31, 2023	Changes during the year	Balance as at March 31, 2024
Equity share capital	13.81	-	13.81	-	13.81

(b) Other equity (refer note 16)

Particulars	Attributable to owners of the Holding Company								Non-controlling interests	Total
	Reserves and surplus					Other Comprehensive Income				
	Securities premium	General reserve	Retained earnings	Legal reserve	Treasury shares	Cash flow hedging reserve	Foreign currency translation reserve	Total		
Balance as at April 1, 2022	42.70	5.18	325.76	0.83	(7.54)	(0.39)	7.00	373.04	14.00	387.04
Profit for the year			201.10		-	-		201.10	2.99	204.09
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-		(0.52)	-		-		(0.52)	-	(0.52)
Fair value changes on derivatives designated as cash flow hedge, net of tax*					-	0.00		0.00	-	0.00
Foreign currency translation reserve, net of tax	-					-	0.06	0.06	0.10	0.16
Others	-			-		-	1.42	1.42		1.42
Total comprehensive income for the year	-	-	200.58	-	-	0.00	1.50	202.08	3.09	205.17
Transactions with owners in their capacity as owners										
Equity dividend paid (refer note 35)					-	-			(4.32)	(4.32)
Balance as at March 31, 2023	42.70	5.18	526.34	0.83	(7.84)	(0.39)	8.50	575.12	12.77	587.89
Adoption of Ind AS - 29 (refer note 50)	-		-	-	-	-	44.39	44.39	-	44.39
Balance as at April 01, 2023	42.70	5.18	526.34	0.83	-7.84	-0.39	52.89	619.51	12.77	632.28
Profit for the year			239.19	-				239.19	3.09	242.28
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax			(1.10)	-		-		(1.10)		(1.10)
Fair value changes on derivatives designated as cash flow hedge, net of tax*		-				(0.64)		(0.64)		(0.64)
Foreign currency translation reserve, net of tax		-	-			-	(10.71)	(10.71)	1.02	(9.69)
Total comprehensive income for the year	-	-	238.09	-	-	(0.64)	(10.71)	226.74	4.11	230.85
Transactions with owners in their capacity as owners										
Equity dividend paid (refer note 35)			(29.51)		-			(29.51)		(29.51)
Sale of shares held by Gravita Employee Welfare Trust (refer note 44)		-			3.14			3.14		3.14
Others	-	-	3.71		-		-	3.71	(3.71)	-
Balance as at March 31, 2024	42.70	5.18	738.63	0.83	(4.70)	(1.03)	42.18	823.59	13.17	836.76

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No. 507000

Date: April 30, 2024
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No. FCS 9984

Date: April 30, 2024
Place: Jaipur

Note 1 - Corporate information, statement of compliance with Indian Accounting Standards (Ind AS), basis of preparation and material accounting policies

(A) Corporate Information

Gravita India Limited (the 'Holding Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956 applicable in India. The Holding Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Holding Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Gujarat, Chittoor (Andhra Pradesh), Kathua (Jammu and Kashmir), Mirigama (Sri Lanka), Mozambique, Tanzania, Ghana, Togo and Senegal (East Africa) etc. Gravita India Limited together with its subsidiaries is hereinafter referred to as "Group".

The Principal activities of the Group are - lead processing, aluminium processing, trade (lead products and aluminium scrap) and dealing in turn-key lead recycling projects. The Holding Company carries out smelting of lead battery scrap / lead concentrate to produce secondary lead metal, which is further transformed into pure lead, specific lead alloy, lead oxides (lead sub-oxide, red lead, and litharge) and lead products like lead sheets, lead powder, lead shot etc. Further, Holding Company has also entered in the PET product manufacturing.

Amount in the consolidated financial statements are presented in Rs. Crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to round off are expressed as zero. The consolidated financial statements are presented in Indian Rupees (Rs.) which is also functional currency of the Holding company.

These consolidated financial statements for the year ended March 31, 2024 ('financial statements') are approved and adopted by the Board of Directors in their meeting held on April 30, 2024. The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

(B) Statement of compliance with Ind AS and basis of preparation

These consolidated financial statements of the Company have been prepared in accordance with the Ind AS as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, relevant amendment rules issued there after and other relevant provisions of the Act, as amended from time to time and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The Group has uniformly applied the accounting policies during the period presented in the consolidated financial statements.

The consolidated financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations;
- Share based payments - measured at fair value;
- Application of Ind AS 29 'Financial Reporting in Hyperinflationary Economies' for a subsidiary of the Group, reporting in 'Ghanaian cedi (GHS)'.

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GRAVITA INDIA LIMITED *

(C) Basis of consolidation

Subsidiaries

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 to direct the relevant activities of 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. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2024.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(D) Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2024.

(E) Standards issued/amended and became effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Group has applied for these amendments, first-time.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group has taken the impact of the same on these consolidated financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GRAVITA INDIA LIMITED *

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these consolidated financial statements.

(F) Material accounting policy information

I. Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

II. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition or construction. Following initial recognition, property plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method computed on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Group:

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	4 - 20 years
Furniture and fixtures	4 - 10 years
Vehicles	3 - 10 years
Computer and accessories	2 - 10 years
Office equipment	4 - 10 years

Freehold land is measured at cost and is not depreciated.

Property, plant and equipment costing upto Rs. 5,000 each are fully depreciated in the year of purchase. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

III. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

V. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost is as follows:

Nature of Inventories	Method of valuation
Raw materials	Moving weighted average method
Stores and spares and consumables	Moving weighted average method
Finished goods and work-in-progress	Raw material cost on moving weighted average method and includes conversion and other costs incurred in bringing the inventories to their present value and locations
Traded goods	Moving weighted average method
By-products/ scrap	Estimated net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

Stock in transit is valued at lower of cost and net realisable value.

VI. Foreign Currency transactions and translations

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rs.) and are rounded to two decimal places of lakhs, which is also the Holding Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Translation of foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee whose functional currency is not the currency of a hyperinflationary economy are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date and the equity is translated at historical rate. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period.

However, all amounts (i.e. assets, liabilities, equity items, income and expenses) of foreign operation, whose functional currency is the currency of a hyperinflationary economy, are translated into INR at the rate of exchange prevailing at the reporting date and the comparative figures shall be those that were presented as current year amounts in the relevant prior year financial statement (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the Statement of Profit or Loss and are recognized as part of the gain or loss on disposal.

Financial statements of entity whose functional currency is the currency of a hyperinflationary economy

The financial statements of an entity whose functional currency is the currency of a hyperinflationary economy is stated in terms of the measuring unit current at the end of the reporting period.

Monetary Items are not restated because they are already expressed in terms of the monetary unit current at the end of the reporting period.

Non-monetary items which are carried at amounts current at the end of the reporting period, such as net realisable value and fair value, they are not restated. All other non-monetary assets and liabilities which are carried at cost or cost less depreciation are restated by applying to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. However, where detailed records of the acquisition dates are not available or capable of estimation, in those cases, restatement is done based on independent professional assessment or by using the best estimate i.e by capturing the movements in the exchange rate between the functional currency and a relatively stable foreign currency.

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Statement of profit and loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore all amounts are restated by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements.

At the beginning of the first period of application, the components of shareholder's equity, excluding retained earnings and any revaluation surplus, are restated by applying a general price index from the dates on which the items were contributed or otherwise arose. Restated retained earnings are derived from all the other amounts in the restated statement of financial position.

The gain or loss on the net monetary position, being the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of profit and loss and the adjustment of index linked assets and liabilities, is recognised in other comprehensive income because such amounts are judged to meet the definition of 'exchange differences'.

The previous year comparative numbers (both monetary and non-monetary items including shareholder's equity) of the hyperinflationary subsidiary are adjusted using the general price index so that the numbers are measured using measuring units current at the end of the reporting period. However, the consolidated financial statements are not restated, because it has already been presented in the stable currency. Further, impact of adjustments of the opening comparative numbers are recognised in other equity under the head 'Foreign currency translation reserve' in 'other comprehensive income' as a translation adjustment.

VII. Leases

The group considers whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is the lessee

The Group's lease asset classes primarily consist of leases for land, buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
(iii) the Group has the right to direct the use of the asset.

The Group at the commencement of the lease contract recognizes a right-of-use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any. The right-of-use asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

VIII. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

IX. Revenue Recognition

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Sale of products (including scrap sales and service income):

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts are recognised in Statement of Profit and Loss on completion of performance obligation.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year. Sales, as disclosed, are exclusive of applicable tax.

The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Group's future performance. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

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Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Job Work Income:

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Export Incentive:

Income from export incentives such as duty drawback, remission of duties and taxes on export products (RoDTEP) are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Dividend Income:

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

X. Operating expenses

Operating expenses are recognised in statement of profit and loss upon utilisation of the service or as incurred.

XI. Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Holding Company are recorded separately within equity.

XII. Financial Instruments

Initial measurement

Financial Instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price in accordance with Ind AS 115.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

a. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts, if any etc.

b. Financial assets at fair value
   - Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).
   - Investments in equity instruments (other than subsidiaries)– All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

     If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss account, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

     Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss account.

- Investment in mutual funds - All investment in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

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

Offsetting of financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

XIII. Hedge accounting
The Group designates non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable forecasted transactions and accordingly, applies cash flow hedge accounting for such relationships. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.
Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:
Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs. If the hedging Instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity until the forecast transaction occurs or the foreign currency firm commitment is met.

XIV. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.
ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the Expected Credit Losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on Group's historical collection experience for customers and forecast of macro-economic factors.

The Group defines default as an event when the financial asset is past due for more than 180 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

The Group writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.
When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

XV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

XVI. Post-employment, long term and short term employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined Contribution plan

The Group makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and are not reclassified to profit or loss.

Gratuity and Pension

In accordance with Indian laws, the Holding Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Short term employee benefit

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

XVII. Share based payments

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered, under "Gravita Stock Appreciation Rights Scheme 2017".

Cash settled share-based payments

The Group has formed Gravita Employee Welfare Trust, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust buy shares of the Holding Company from the market, for granting them to its employees and are treated as treasury shares. Own equity instruments ("treasury shares") which are reacquired through Gravita Employee Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instrument.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

XVIII. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

XIX. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

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XX. Taxes

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Group will pay normal income tax during the specified period.

XXI. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

XXII. Dividend payment

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the Board of directors.

XXIII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108 - Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the Board of Directors which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue, expenses, assets and liabilities.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

XXIV. Government grants

Income includes export and other recurring and non-recurring incentives from Government (referred as "incentives"). Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. The Group is entitled to subsidies from government in respect of manufacturing units located in specified regions.

Government grants are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as income in the period in which the grant is received. Government grant in form of subsidy for unit at Chittoor, Andhra Pradesh is awarded as incentive to the Holding Company, and is recognised as income in the period in which the grant is accrued.

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XXV. Supply chain financing arrangement

Includes amount payable to Micro, Small and Medium Enterprise vendors through TReDS portal for the financing facility availed by the Holding company. Under these facilities, the third party shall pay the amount on behalf of the Holding company and the Holding company shall pay the third party on the due date along with interest. As the facility provided by the third party is within the credit period provided by the customer, the outstanding liability has been disclosed under 'other financial liabilities'.

XXVI. Use of estimates and judgement

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. Useful lives of depreciable/ amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

b. Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. Allowance for expected credit loss: The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

d. Allowance for obsolete and slow-moving inventory: The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the consolidated financial statements.

e. Contingent liabilities: The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated.

f. Provisions: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

g. **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

h. **Income Taxes:** Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 33). The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

i. **Defined benefit obligations (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

j. **Fair value measurements:** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to consolidated financial statements.

k. Recoverability of advances / receivables
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

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(All amounts in Rs. crores, unless otherwise stated)

Note 2 - Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
As at April 1, 2022	16.47	86.49	115.98	8.48	1.90	3.02	16.80	249.14
Additions during the year	1.17	43.00	40.51	2.23	0.89	0.57	15.27	103.64
Disposals/ adjustments	-	(2.31)	(3.75)	(0.29)	(0.04)	(0.04)	(0.40)	(6.83)
Foreign currency translation differences	0.12	(0.12)	7.34	(0.15)	(0.02)	(0.04)	(0.06)	7.07
As at March 31, 2023	17.76	127.06	160.08	10.27	2.73	3.51	31.61	353.02
Adoption of Ind AS - 29 (refer note 50)	0.47	6.73	14.27	1.06	0.05	0.11	0.54	23.23
Additions during the year	7.47	28.58	58.61	2.00	0.80	1.04	2.63	101.13
Disposals/ adjustments	-	(0.41)	(2.27)	(0.24)	(0.22)	0.01	(1.18)	(4.32)
Foreign currency translation differences	(0.39)	1.00	(3.49)	(0.09)	(0.04)	(0.05)	(0.15)	(3.21)
As at March 31, 2024	25.31	162.96	227.20	13.00	3.32	4.62	33.45	469.86
Accumulated depreciation								
As at April 1, 2022	-	11.76	39.89	4.46	1.20	1.27	6.91	65.49
Charge for the year	-	3.93	16.23	1.11	0.27	0.31	7.27	23.17
Disposals/ adjustments	-	(0.14)	(1.52)	(0.08)	(0.05)	(0.02)	(0.34)	(2.15)
Foreign currency translation differences*	0.00	0.02	(0.10)	0.09	0.01	0.01	0.09	0.12
As at March 31, 2023	0.00	15.57	53.50	5.58	1.43	1.57	6.93	86.58
Adoption of Ind AS - 29 (refer note 50)	-	0.81	5.83	0.72	0.01	0.07	0.15	7.59
Charge for the year	-	8.78	22.07	1.60	0.44	0.41	4.08	37.38
Disposals/ adjustments	-	(0.01)	(0.93)	(0.12)	(0.05)	0.01	(0.53)	(1.63)
Foreign currency translation differences*	(0.00)	(0.26)	(1.67)	(0.06)	(0.02)	(0.02)	(0.14)	(2.17)
As at March 31, 2024	(0.00)	24.89	78.80	7.72	1.81	2.04	12.49	127.75
Net carrying value								
As at March 31, 2023	17.76	111.49	106.58	4.69	1.30	1.94	22.68	266.44
As at March 31, 2024	25.31	138.07	148.40	5.28	1.51	2.58	20.96	342.11

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(ii) The Group has not capitalised any borrowing costs in the current and previous year.
(iii) Refer note 34 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3 - Capital work-in-progress

Particulars	Balance as at April 1, 2022	Net movement during the year	Balance as at March 31, 2023	Net movement during the year	Balance as at March 31, 2024
Capital work-in-progress	42.49	3.01	45.50	(2.74)	42.76

(i) Ageing schedule of capital work-in-progess is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Project in Progress	42.76	-	-	-	42.76
Project temporarily suspended	-	-	-	-	-
Total	42.76	-	-	-	42.76
As at 31 March 2023					
Project in Progress	45.50	-	-	-	45.50
Project temporarily suspended	-	-	-	-	-
Total	45.50	-	-	-	45.50

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(iii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

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(All amounts in Rs. crores, unless otherwise stated)

Note 4 - Right-of-use assets

Particulars	Land	Buildings	Plant and machinery	Total
Gross carrying amount				
As at April 1, 2022	7.30	4.65	1.82	13.77
Additions during the year*	0.00	-	0.10	0.10
Disposals / adjustments	-	(0.05)	0.06	0.01
Foreign currency translation differences*	0.00	0.00	0.00	0.00
As at March 31, 2023	7.30	4.60	1.98	13.88
Additions during the year	-	0.18	-	0.18
Disposals/ adjustments	-	(0.16)	-	(0.16)
Foreign currency translation differences	0.02	-	-	0.02
As at March 31, 2024	7.32	4.62	1.98	13.92
Accumulated depreciation				
As at April 1, 2022	0.93	3.89	1.61	6.43
Charge for the year	0.29	0.15	0.26	0.70
Disposals/ adjustments*	-	(0.00)	0.00	0.00
Foreign currency translation differences*	(0.00)	(0.00)	(0.00)	(0.00)
As at March 31, 2023	1.22	4.04	1.87	7.13
Charge for the year	0.31	0.17	0.09	0.57
Disposals/ adjustments*	0.00	(0.03)	-	(0.03)
Foreign currency translation differences*	0.00	-	-	0.00
As at March 31, 2024	1.53	4.18	1.96	7.67
Net carrying value				
As at March 31, 2023	6.08	0.56	0.11	6.75
As at March 31, 2024	5.79	0.44	0.02	6.25

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) Refer note 17 for details of leasehold land situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur, mortgaged as security with banks/ financial institutions and land at Plot no. 27-A, Mirigama export processing zone, Meligama dist. Gampaha Sri Lanka.
(ii) Also, refer note 18 for detailed disclosures related to Ind AS 116 'Leases'.

Note 5 - Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at April 1, 2022	2.10	2.10
Additions during the year	0.07	0.07
Foreign currency translation differences	(0.07)	(0.07)
As at March 31, 2023	2.10	2.10
Additions during the year	0.05	0.05
Foreign currency translation differences	-	-
As at March 31, 2024	2.15	2.15
Accumulated amortisation		
As at April 1, 2022	1.83	1.83
Charge for the year	0.14	0.14
Foreign currency translation differences*	(0.00)	(0.00)
As at March 31, 2023	1.97	1.97
Charge for the year	0.04	0.04
Foreign currency translation differences	-	-
As at March 31, 2024	2.01	2.01
Net carrying value		
As at March 31, 2023	0.13	0.13
As at March 31, 2024	0.14	0.14

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(All amounts in Rs. crores, unless otherwise stated)

Note 6 - Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current investment		
Investment in government securities (unquoted)		
(carried at amortised cost)		
National saving certificate*	0.00	0.00
Total non-current investments	0.00	0.00
Aggregate amount of unquoted investments*	0.00	0.00
Current investments		
Investments carried at fair value through profit and loss (quoted)		
Investment in mutual fund	16.50	1.11
Total current investments	16.50	1.11
Aggregate amount of quoted investments and book value thereof	16.50	1.10
Aggregate amount of quoted investments and market value thereof	16.50	1.11

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 7 - Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Current (unsecured, considered good)		
Loan receivable (refer note 34 and 45)		
- Considered good	-	0.50
- Credit impaired - Loans which have significant increase in credit risk	-	-
Less: Loss allowance	-	-
Total	-	0.50

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on current loans.
(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 8 - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deposits with bank (with remaining maturity more than 12 months)[i]	2.70	0.10
Security deposits-(unsecured, considered good)	2.73	3.73
Others (amount deposited with Government authorities)	3.85	4.40
Total	9.28	8.23
Current-(unsecured, considered good)		
Derivatives designated at fair value through profit or loss		
For forward contracts[iv]	27.06	4.41
Incentive receivable from Government[v]	24.92	15.12
Security deposits	1.20	0.89
Other recoverable	6.13	1.26
Balance with government authorities[vi]	24.73	25.37
Total	84.04	47.05

(i) Represents lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.
(ii) Above mentioned other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 27 for details.
(iii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.
(iv) Details of balance against derivative contracts:

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money	6.29	0.53
Effect of mark-to-market on open contracts	20.77	3.88
Total	27.06	4.41

(v) Incentive receivable from government in the Holding Company includes duty recoverable under Remission of Duties or Taxes on Export Products (RODTEP) scheme, Duty Drawback and State Goods and Service Tax (SGST) scheme specified under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Also, refer note 24 (ii), (iii) and (iv).
(vi) Includes indirect-tax credits receivable from statutory authorities.

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Note 9(a) Non-current tax assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provisions)	5.32	0.36
Total	5.32	0.36

Note 9(b) Current tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for income tax (net of advance tax) (refer note 48)	5.13	12.99
Total	5.13	12.99

Note 10 - Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non current (Unsecured, considered good)		
Capital advances	1.64	6.46
Duty paid under protest	6.26	1.00
Prepaid expenses	0.23	0.43
Total	8.13	7.89
Current (Unsecured, considered good)		
Advances to vendors	29.44	39.83
Prepaid expenses	8.48	3.40
Total	37.92	43.23

(i) Above mentioned other current assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

Note 11 - Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials [including material-in-transit: Rs. 135.69 crores (previous year: Rs. 117.02 crores)]	336.05	289.05
Work-in-progress	166.88	150.33
Finished goods (other than those acquired for trading) [including finished goods-in-transit: Rs. 32.63 crores (previous year: Rs. 57.13 crores)]	120.22	120.16
Stock-in-trade	1.16	0.20
Stores and spares	50.32	36.73
Total	674.63	596.47

(i) Above mentioned inventories have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.
(ii) The Group has conducted physical verification of inventory at reasonable intervals during the year except for inventory in transit. No material discrepancies have been noted by the management.

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Note 12 - Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Trade receivables - considered good	264.33	137.02
Trade receivables - credit impaired	3.10	2.76
Less: allowance for expected credit losses	(3.10)	(2.76)
Total	**264.33**	**137.02**

Trade Receivables Ageing Schedule

As at March 31, 2024	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	217.58	46.75	-	-	-	-	264.33
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables Credit impaired	-	-	0.34	0.02	-	0.39	0.75
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in Credit risk	-	-	-	-		-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	0.41		1.94	2.35
Total	**217.58**	**46.75**	**0.34**	**0.43**	-	**2.33**	**267.43**

Trade Receivables Ageing Schedule

As at March 31, 2023	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	84.65	46.65	5.39	0.33	-		137.02
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – Credit impaired	-	-	0.02	-	-	0.39	0.41
(iv) Disputed trade receivables Considered good	-	-	-	-	-	-	
(v) Disputed trade receivables which have significant increase in Credit risk	-	-	-	-	-	-	
(vi) Disputed Trade receivables – Credit impaired	-	-	0.41	-	-	1.94	2.35
Total	**84.65**	**46.65**	**5.82**	**0.33**	-	**2.33**	**139.78**

(i) Above mentioned trade receivables have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.
(ii) Refer note 41 for disclosure of fair values in respect of financial assets measured at amortised cost.
(iii) Refer note 42 for details of expected credit loss for trade receivables under simplified approach.
(iv) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.
(v) There are no debts due by directors or other officers of the Holding Company.

Note 13 - Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- in current accounts	32.01	18.19
Cash on hand	0.88	1.31
Cheques on hand	2.92	10.87
Total	**35.81**	**30.37**

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on cash and cash equivalents.

Note 14 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks in current accounts		
- Unclaimed dividend account[i]	0.08	0.05
Balance held as margin money against bank guarantees (with original maturity more than 3 months but remaining maturity less than 12 months)[iii]	62.89	7.70
Total	**62.97**	**7.75**

(i) These balances are not available for use by the Holding Company and corresponding balance is disclosed as unclaimed dividend in note 19. Further these are not due for deposit in the Investor Education and Protection Fund (IEPF).
(ii) Includes interest accrued but not due amounting to Rs. 0.01 crores (Previous year Rs. 0.01 crores).
(iii) Refer note 34 for fixed deposits given as bank guarantees.

Note 15 Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 2 each	8,50,00,000	17.00	8,50,00,000	17.00
	8,50,00,000	17.00	8,50,00,000	17.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 2 each	6,90,37,914	13.81	6,90,37,914	13.81
Total	6,90,37,914	13.81	6,90,37,914	13.81

(a) Changes in equity share capital during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance as at the beginning of the year	6,90,37,914	13.81	6,90,37,914	13.81
Add: shares issued during the year	-	-	-	-
Closing at the end of the year	6,90,37,914	13.81	6,90,37,914	13.81

(b) Terms/ rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a face value of Rs. 2 per share. Each equity shareholder is entitled to one vote per share held. The Holding Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholder holding more than 5 percent shares*

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights				
Mr. Rajat Agrawal	2,85,49,789	41.35%	3,30,49,789	47.87%
Mr. Rajat Agrawal / Dr. Mahavir Prasad Agarwal (on behalf of Agrawal Family Private Trust)	1,73,48,025	25.13%	1,73,48,025	25.13%

* As per records of the Holding Company, including its register of members.

(d) During the five years immediately preceding March 31, 2024, the Holding Company has neither allotted any bonus shares nor have any shares been bought back.

(e) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(f) Dividend

The Board of Directors of the Holding Comapny, in its meeting held on April 30, 2024 had declared interim dividend of Rs 5.20 per equity share of Rs. 2 each amounting to Rs. 35.90 crores for the financial year ended March 31, 2024.

(g) Details of equity shares held by Promoters in the Holding Company as at the end of year :

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Rajat Agrawal	2,85,49,789	41.35%	(6.52%)	3,30,49,789	47.87%	-
Mr. Rajat Agrawal / Dr. Mahavir Prasad Agarwal (on behalf of Agrawal Family Private Trust)	1,73,48,025	25.13%	-	1,73,48,025	25.13%	-

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 16 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and surplus		
Securities premium	42.70	42.70
General reserve	5.18	5.18
Retained earnings	738.63	526.34
Treasury shares	(4.70)	(7.84)
Legal reserve	0.63	0.63
Other Comprehensive Income		
Cash flow hedging reserve	(1.03)	(0.39)
Foreign currency translation reserve	42.18	8.50
Total	823.59	575.12

Description of nature and purpose of each reserve

Securities premium
The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

General reserve
The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings
Retained earnings represents surplus in Statement of Profit and Loss.

Treasury shares
Treasury shares represent Holding Company's own equity shares held by the Gravita Employee Welfare Trust [a trust set up for administration of Stock Appreciation Rights Scheme 2017 of the Holding Company].

Legal reserve
Gravita Mozambique LDA (step-down subsidiary of the Holding Company) has created a legal reserve of 5% of the profits of the accounting year. The reserve balance at any time shall not exceed 20% of the share capital of Gravita Mozambique LDA.

Cash flow hedging reserve
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Foreign currency translation reserve
The Group recognises exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in foreign currency translation reserve in other equity. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Statement of Profit and Loss on disposal of foreign operation.

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 17 - Borrowings

Particulars		As at March 31, 2024	As at March 31, 2023
Non-current borrowings			
Secured			
Term loans			
- from banks		-	70.56
- from institutions other than banks		278.81	40.03
Vehicle loans		10.56	13.73
		289.37	124.32
Less: Current maturities of non-current borrowings disclosed under current borrowings		(40.16)	(33.93)
	Total	249.21	90.39
Current borrowings			
Secured loans from banks			
Cash credit / overdraft		16.04	103.47
Packing credit		90.08	1.62
Working capital demand loan		91.10	114.63
Current maturities of non-current borrowings		40.16	33.93
Interest accrued on non-current borrowings		0.93	0.42
Secured loans from institutions other than banks		57.61	
	Total	295.92	254.07

(i) There is no default in repayment of principal repayment or interest thereon

(ii) Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:

	Particulars	Rate	As at March 31, 2024	As at March 31, 2023
1)	**Vehicle loans**			
Multiple banks	The loans are repayable in equal monthly instalments over a period of 31 to 84 months.	6.55% to 8.40% p.a (6.55% to 8.40% p.a)	10.56	13.73
	Security			
	Hypothecation of vehicles			
2)	**Term loans from bank**			
IDFC First Bank Limited -Term Loan	The loan was for 60 months with 12 month moratorium and repayable in 16 Quarterly Instalments commencing from December 2022 and ending in September 2026. The loan has been fully repaid as at March 31, 2024.	9.20% p.a. (9.20% p.a.)	-	34.81
	Security			
	First charge by way of mortgage on Land admeasuring (1) land admeasuring 5261 sq. mtrs of Survey No.45/1 land admeasuring 19729 sq.mtrs of Survey No. 45/2 & land admeasuring 16300 sq. mtrs of Survey no. 47 aggregating to 41290 sq.mtrs. (2) land admeasuring 8701 sq. mtrs of Survey No. 52/2 & land admeasuring 12039 sq. mtrs of Survey No.52/1 & (3) land admeasuring 20032 sq.mtrs of Survey No.43 total admeasuring 82162 sq mtrs situated lying and being at Mouje Gundala in registration District of Kutch and Sub District of Mundra, Gujarat together with the rights, liberties and approvals constructions and developments therein and a plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.			
Punjab National Bank Guaranteed Emergency Credit Line (GECL)	The loan was for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026.The loan has been fully repaid as at March 31, 2024.	9.25% p.a (9.25% p.a)		6.09
	Security			
	1. First Pari Passu charge on entire block assets present and future proposed Chittoor Project.			
	2. Second pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	3. Second pari-passu charge by way of mortgage/hypothecation on the entire fixed assets (movable and immovable) of the Company, both present and future, excluding (i) the vehicles and assets of the Company exclusively charged to other lenders, and (ii) the assets of the Company at its Chittoor Plant, Andhra Pradesh, and including but not limited to:			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9590.63 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9564.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet composed on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	4. Second pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house composed in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	5. Second pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 203, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan in the name of Mr. Rajat Agrawal, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 17 - Borrowings (cont'd)

	Particulars	Rate	As at March 31, 2024	As at March 31, 2023
Canara Bank-GFCL	The loan was for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026.The loan has been fully repaid as at March 31, 2024.	8.00% p.a (8.00% p.a)	-	7.9[illegible]
	Security			
	1. First pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	2. First pari-passu charge on the following properties:-			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9690.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9864.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future,			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	3. First pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	4. First pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 205, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	5. Second Pari Passu charge on entire fixed assets of the company, both present and future, of Chittoor plant including land and building, Plant and machinery and other fixed assets.			
State Bank of India-GFCL	The loan was for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026. The loan has been fully repaid as at March 31, 2024.	9.55% p.a (9.55% p.a)		10.0[illegible]
	Security			
	1. Second pari passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	2. Second pari passu charge by way of mortgage/hypothecation on the entire fixed assets (movable and immovable) of the Company, both present and future, excluding (i) the vehicles and assets of the Company exclusively charged to other lenders, and (ii) the assets of the Company at its Chittoor Plant, Andhra Pradesh, and including but not limited to:			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9690.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9864.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future,			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	3. Second pari passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	4. Second pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 205, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

Note 17 - Borrowings (cont'd)

Particulars		Rate	As at March 31, 2024	As at March 31, 2023
Bandhan Bank GECL	The loan was for 72 months with 24 months moratorium and repayable in 48 monthly instalments commencing from April 2024 and ending in March 2028.The loan has been fully repaid as at March 31, 2024.	9.50% p.a (9.25% p.a)	-	7.45
	Security			
	Second Pari Passu charge by way of hypothecation over movable fixed assets of borrower at Chittoor plant. Second Pari-passu charge on Industrial land and building situated at Chittoor District, Chittoor Sub district, Chittoor Mandal No.199, Anantapuram Grampanchayat, No.89 Ananthapuram Revenu.			
Punjab National Bank- GECL	The loan was for 72 months with 24 months moratorium and repayable in 48 monthly instalments commencing from January 2024 and ending in December 2027. The loan has been fully repaid as at March 31, 2024.	9.10% p.a (9.10% p.a)		4.40
	Security			
	1. First Pari Passu charge on entire block assets present and future proposed Chittoor Project.			
	2. Second pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the, stocks of raw materials, stocks in process, semi finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	3. Second pari-passu charge by way of mortgage/hypothecation on the entire fixed assets (movable and immovable) of the Company, both present and future, excluding (i) the vehicles and assets of the Company exclusively charged to other lenders, and (ii) the assets of the Company at its Chittoor Plant, Andhra Pradesh , and including but not limited to:			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/4/3 admeasuring 9090.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	b. on the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9964.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.73 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future;			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A 27 B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	4. Second pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 2, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all superstructures, construction thereof, easements, right to way and appurtenances thereon, both present and future; and			
	5. Second pari passu charge by way of mortgage over all the pieces and parcels of the Flat No. 203, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			

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(All amounts in Rs. crores, unless otherwise stated)

Note 17 - Borrowings (cont'd)

Particulars		Rate	As at March 31, 2024	As at March 31, 2023
3)	Term loans from institutions other than banks			
Tata Capital Financial Services Limited	The loan was repayable in 60 monthly instalments commencing from February 2020 and ending in December 2025.The loan has been fully repaid as at March 31, 2024.	10.50% to 12.55% p.a (10.80% to 12.55% p.a)	-	11.44
	Security			
	1. First Charge by way of hypothecation over moveable fixed assets of borrower at Plot No. PA-011-006, Mahindra Sez, Village Kalwara , Tehsil Sanganer Distt- Jaipur;			
	2. First charge on Plot No. PA 011 006, Mahindra Sez, Khasra No. 295 (Part), 298(Part), 299(Part), 320(Part), 321 (Part), 322 (Part),323 (Part), 324 (Part), 325, 326 (Part),384 (Part), 385, 386 (Part), 387 (Part), 389 (Part), Village - Kalwar, Tehsilsanganer, District - Jaipur, admeasuring area 17656.10 sq mtr. together with all the buildings and structures thereon, Fixtures And Fittings And All Plant And Machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future; and			
Bajaj Financial Services Limited	The loan was repayable in 60 monthly instalments commencing from October 2019 and ending in September 2024.The loan has been fully repaid as at March 31, 2024.	10.45% p.a (10.45% p.a)		2.34
	Security			
	First pari-passu charge over entire movable tangible fixed assets of the company (both present and future) except vehicles and those situated at company's chittoor unit.			
	First Pari-passu charge over entire current assets of the company (both present and future)			
	First pari-passu charge over land and building of the company situated at Phagi, Jaipur.			
	First Pari-passu charge by way of mortgage over flat no. 302, on second floor in Rajputana Tower situated at Plot No., A 27-B, Tilak Nagar, Shanti Path, Jaipur in the name of borrower.			
	First Pari-Passu charge by way of mortgage over flat No. 403, on third floor in Rajputana Tower situated at A 27 B, Tilak Nagar, Shanti Path, Jaipur in the name of borrower.			
	First Pari-Passu charge by way of mortgage over flat No. 401, on third floor in Rajputana Tower situated at A 27-B, Tilak Nagar, Shanti Path, Jaipur.			
	First pari-passu charge by way of mortgage over flat no. 203, on first floor in Rajputana Tower situated at plot no. A-27-B, Tilak Nagar, Shanti Path, Jaipur in the name of Mr. Rajat Agrawal.			
	First pari-passu charge by way of mortgage over land & House HIG, SFS Block 3, plot 90, Mansarover, Jaipur of Gravita Impex Private Limited			
Bajaj Financial Services Limited	The loan was repayable in 60 monthly instalments commencing from March 2021 and ending in January 2027.The loan has been fully repaid as at March 31, 2024.	9.00% p.a (9.00% p.a)	-	25.85
	Security			
	First Pari-passu charge on industrial land and building situated at Chittoor District, Chittoor sub district,Chittoor Mandal No.199, Ananthpuram, Gram panchayat, No.99 Ananthapuram Fever,			
Société De Promotion Et De Participation Pour La Coopération Economique S.A.	The loan is repayable in 15 quarterly instalments commencing from December 2024 and ending in June 2028.	6.46% p.a -	139.41	-
	Security			
	Corporate Guarantee from Gravita India Limited.			
	Pledge over 51% of the shares of Gravita Netherlands B.V.(Borrower).			
	Charge over the Debt Service Reserve Account (DSRA) account of the Borrower.			
Oesterreichische Entwicklungsbank AG	The loan is repayable in 15 quarterly instalments commencing from December 2024 and ending in June 2028.	6.46% p.a -	139.40	-
	Security Corporate Guarantee from Gravita India Limited. Pledge over 51% of the shares of Gravita Netherlands B.V.(Borrower). Charge over the Debt Service Reserve Account (DSRA) account of the Borrower.			

* Interest rates in the bracket denotes those of the previous year.

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GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 17 - Borrowings (cont'd)

iii Security disclosure for the outstanding current borrowings for current year ended 31 March 2024 are as follows:

1. First pari-passu charge over the entire current assets of the Holding Company including raw material, stock in-trade, finished goods including stocks in transit and those lying in godowns, ports, etc and book debts (both present and future).
2. Second pari-passu charge on the entire fixed assets of the Holding Company both present and future, excluding vehicles, but including assets situated at Plot No. P.A. 011 006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, assets of Survey no. 233/15 to 233/20, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, and Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3, situated at Village Jaychand Ka Bas, Village Panchayat Harsuliya, Tehsil Phagi, Jaipur, Rajasthan.
3. First charge on Survey no. 43 Near National highway no.8A (Patri Gundala road, Village Gundala, Taluka Mundra, Kutch (Gujrat)

Security disclosure for the outstanding current borrowings for previous year ended 31 March 2023 are as follows:

1. First pari-passu charge over the entire current assets of the Holding Company including raw material, stock-in-trade, finished goods including stocks-in-transit and those lying in godowns, ports, etc and book debts (both present and future).
2. Hypothecation of receivables and all kind of stocks of raw material, semi finished goods, finished goods consumables including stocks in transit in the name of M/s Gravita Metal Inc.
3. First pari-passu charge on the entire fixed assets of the Group both present and future, excluding, vehicles, assets situated at Plot No. P.A. 011 006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, Assets of Survey no. 233/15 to 233/20, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, Assets situated at Survey no.43,Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujrat) and Flat no.402, Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
but including the following:
Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
Land and building at Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3, situated at Village Jaychand Ka Bas, Village Panchayat Harsuliya, Tehsil Phagi, Jaipur, Rajasthan.
4. First pari-passu charge on Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party) and Flat no. 204 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.
5. Personal guarantee of Managing Director Mr. Rajat Agrawal.
6. Corporate guarantee of M/s Gravita Impex Private Limited.
7. Second pari passu charge on the fixed assets of Chittoor Plant.
8. Mortgage of Lease hold rights of factory land measuring 2.50 kanals, bearing plot no. 25 & 26, situated at SIDCO, Industrial Area, Kathua (J&K) in the name of M/s Gravita Metal Inc.
9. Hypothecation of Plant and Machinery and other fixed assets of the M/s Gravita Metal Inc. (present & future) situated at SIDCO, Industrial Area, Kathua (J&K)
10. Mortgage of Flat along with Furniture Fixtures bearing No. 102, Rajputana Tower A-27B Shanti Path Tilak Nagar Jaipur standing in the name of Gravita Infotech Limited.
11. Primary Mortgage over stock in trade, book debts, leasehold land, immovable plant and machinery situated at Plot No.27 A, Mirigama SPZ, Mirigama, Sri Lanka in the name of Navam Lanka Limited.
12. Charge over Fixed and floating assets and Real Property owned by Recycler Ghana Limited.
13. First ranking legal mortgage over the charge Right entered between the EPZA and Gravita Tanzania Limited (The Derivative Right) at Plot No. 7, Block 'A' Zegereni, Kibaha Township, Tanzania.
14. First ranking debenture over all assets of the Gravita Tanzania Limited.
15. Director's guarantee and indemnity executed by Manish Kumar Jangir and Surendra Singh Hada for Gravita Tanzania Limited.
16. Corporate guarantee of Gravita India Limited and Gravita Infotech Limited.
17. Corporate guarantee of Gravita Netherlands BV.

		As at 31 March 2024	As at 31 March 2023
iv	**Collateral:** Inventory, trade receivables, other current assets, other current financial assets, cash and cash equivalents, property, plant and equipment, capital work-in progress are given as collateral/ security against the borrowings.	1,481.50	1,198.08

v **Rate of interest for current borrowings**
The Group's current borrowings facilities have an effective weighted-average contractual rate of 6.56 % per annum (March 31, 2023 :7.27 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

vi Repayment terms: Cash credit facilities and working capital demand loans are repayable on demand with in a period of less than 12 months. These loans have been used for the specific purpose for which they are taken as at the year end.

vii Refer note 40 and 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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Note 18 - Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non current	1.78	2.53
Current	0.68	0.73
Total	2.46	3.26

i. **Disclosures on lease pursuant to Ind AS 116 - Leases**

The Group has leases for the factory lands, buildings, equipment, etc. Also, the Group has a leasehold land at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur, which has been taken on a lease for a period of 92 years in the year 2013 and Plot no. 27-A, Mirigama export processing zone, Merigama dist. Gampana Sri Lanka.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Group is prohibited from selling or pledging the underlying leased assets as security against the Group's other debts and liabilities.

The table below describes the nature of the Group's leasing activities by type of right-of use asset ('ROU') recognised on balance sheet:

As at 31 March 2024

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	3	4.86-81.44	-	-
Building	5	1.30-4.67	-	5

As at 31 March 2023

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	7	5.86-82.44	-	
Plant and machinery	13	0.25-0.84		13
Building	10	2.30-3.26		10

ii. The following are amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	0.57	0.70
Interest expense on lease liabilities	0.28	0.27

iii. **Lease payments not recognised as a liability**

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right to use the underlying asset recognised in the financial statement. The expense relating to payments not included in the measurement of the lease liability for short term leases is Rs. 4.91 crores (Previous year: Rs. 6.26 crores).

iv. Total cash outflow for leases for the year ended March 31, 2024 was Rs. 6.00 crores (Previous year: Rs. 7.09 crores).

v. **Maturities of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows.

Particulars	Lease payments	Interest expense	Net present values
March 31, 2024			
Not later than 1 year	0.83	0.15	0.68
Later than 1 year but not later than 5 years	1.79	0.37	1.42
Later than 5 years	0.50	0.14	0.36
Total	3.12	0.66	2.46
March 31, 2023			
Not later than 1 year	1.43	0.70	0.73
Later than 1 year but not later than 5 years	2.39	0.42	1.97
Later than 5 years	0.82	0.26	0.56
Total	4.64	1.38	3.26

vi. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost.

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 19 - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Employee share appreciation rights (refer note 44)	-	11.63
	-	**11.63**
Current		
Unclaimed dividends[i]	0.08	0.05
Derivatives designated at fair value through profit and loss[ii]	-	0.13
Payable under supply chain financing arrangement[iv]	52.07	75.61
Creditors for capital goods	0.53	0.29
Employee related payables	19.33	29.24
Provision for welfare of beneficiaries (refer note 44)	20.67	-
Others	10.37	10.06
Total	103.05	115.38

(i) As at March 31, 2024, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money	-	(0.13)
Effect of marked to market on open contracts	-	0.26
Total	-	0.13

(iii) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

(iv) Represents channel financing facility availed by the Holding Company, which is a part of the supply chain financing arrangement with the channel financing partners, for amount payable to MSME vendors through TReDS portal.

Note 20 - Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current provisions for (refer note 43)		
- Gratuity	7.73	4.98
- Compensated absences	2.23	1.55
Total	9.96	6.53
Current provisions for (refer note 43)		
- Gratuity	0.88	0.62
- Compensated absences	0.19	0.10
Total	1.07	0.72

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(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 21 Deferred tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liability arising on account of:		
Property, plant and equipment and other intangible assets	17.16	12.75
Incentive income	-	0.07
Cash flow hedge reserve*	-	0.00
Other temporary differences	2.16	3.06
Gross deferred tax liabilities	19.32	15.88
Deferred tax asset arising on account of:		
Provision for employee benefits and other liabilities deductible on actual payment	3.50	6.28
Allowances for expected credit losses	1.09	0.97
Right-of-use assets and lease liabilities	0.19	0.19
Cash flow hedge reserve	0.34	-
Unrealised gain on unsold stock	1.06	0.45
Gross deferred tax assets	6.18	7.89
Minimum alternate tax (MAT) credit entitlement	25.06	14.09
Deferred tax assets (net)	11.92	6.10
Deferred tax asset recognised in Balance Sheet	12.16	6.40
Deferred tax liability recognised in Balance Sheet	0.24	0.30
Deferred tax assets (net)	11.92	6.10

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(ii) Deferred tax movements

Particulars	Opening deferred tax (liability)/asset	(Charge)/ credit in Statement of Profit and loss	Credit in other comprehensive income	Closing deferred tax (liability)/asset
For the year ended March 31, 2024				
(a) Deferred tax liabilities:				
Property, plant and equipment and other intangible assets	(12.75)	(4.41)	-	(17.16)
Incentive income	(0.07)	0.07	-	-
Other temporary differences	(3.06)	0.90	-	(2.16)
Cash flow hedge reserve	(0.00)	-	0.00	-
subtotal (i)	(15.88)	(3.44)	0.00	(19.32)
(b) Deferred tax assets:				
Provision for employee benefits and other liabilities deductible on actual payment	6.28	(3.37)	0.59	3.50
Allowances for expected credit losses	0.97	0.12	-	1.09
Right-of-use assets and lease liabilities*	0.19	(0.00)	-	0.19
Cash flow hedge reserve	-	-	0.34	0.34
Unrealised gain on unsold stock	0.45	0.61		1.06
subtotal (ii)	7.89	(2.64)	0.93	6.18
(c) MAT credit entitlement (iii)	14.09	10.97	-	25.06
Total (i+ii+iii)	6.10	4.89	0.93	11.92
For the year ended March 31, 2023				
(a) Deferred tax liabilities:				
Property, plant and equipment and other intangible assets	(9.95)	(2.80)	-	(12.75)
Incentive income	(0.12)	0.05	-	(0.07)
Other temporary differences	(0.26)	(2.80)	-	(3.06)
Cash flow hedge reserve*	-		(0.00)	(0.00)
subtotal (i)	(10.33)	(5.55)	(0.00)	(15.88)
(b) Deferred tax assets:				
Provision for employee benefits and other liabilities deductible on actual payment	1.61	4.39	0.28	6.28
Allowances for expected credit losses	1.16	(0.19)	-	0.97
Foreign currency translation reserve	0.85	(0.85)	-	-
Right-of-use assets and lease liabilities	0.12	0.07		0.19
Cash flow hedge reserve	0.22	(0.22)	-	-
Unrealised gain on unsold stock	1.07	(0.62)	-	0.45
subtotal (ii)	5.03	2.58	0.28	7.89
(c) MAT credit entitlement (iii)	4.09	10.00	-	14.09
Total (i+ii+iii)	(1.21)	7.03	0.28	6.10

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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(iii) There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income-tax Act, 1961:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2024	March 31, 2023*
2021-22	2036-37	-	3.26
2022-23	2037-38	-	4.97
2023-24	2038-39	-	0.62
2024-25	2039-40	1.08	-
Total		1.08	8.85

*This is as per the Income-tax return filed by the Holding Company for the assessment year 2023-2024.

(iv) The Group has unused minimum alternate tax credit which has been recognised in the books amounting to Rs. 25.06 crores as at March 31, 2024 (previous year: Rs. 14.09 crores). Such tax credit have been recognised on the basis that recovery is probable in forseeable future. The Group has following unutilised MAT credit entitlement which has been recognised in the current and previous years:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2024	March 31, 2023*
2017-18	2032-33	3.83	3.83
2019-20	2034-35	4.18	4.21
2020-21	2035-36	5.50	5.50
2021-22	2036-37	3.81	0.55
2022-23	2037-38	4.97	-
2023-24	2038-39	0.62	-
2024-25	2039-40	2.15	-
Total		25.06	14.09

No deferred tax asset has been recognised on tax losses and unabsorbed depreciation of Rs. 5.47 crores (previous year: Rs. 5.91 crores) pertaining to the Indian subsidiaries of the Group, considering there is no probability which demonstrates realisation of deferred tax asset in the near future.

Assessment year (AY) to which unabsorbed losses pertains	Expiry date	March 31, 2024	March 31, 2023
2016-17	2024-25	-	0.20
2017-18	2025-26	0.52	0.73
2018-19	2026-27	0.00	0.00
2019-20	2027-28	0.44	0.44
2020-21	2028-29	0.38	0.78
2021-22	2029-30	0.47	0.75
2022-23	2030-31	0.08	0.31
2023-24	2031-32	1.15	0.44
2024-25	2032-33	0.28	-
		3.34	3.65

Assessment year (AY) to which unabsorbed depreciation pertains	March 31, 2024	March 31, 2023
Upto 2012-13	-	0.21
2013-14	0.39	0.25
2014-15	0.22	0.22
2015-16	0.25	0.25
2016-17	0.27	0.27
2017-18	0.20	0.20
2018-19	0.04	0.04
2019-20	0.13	0.13
2020-21	0.11	0.11
2021-22	0.01	0.11
2022-23	0.08	0.09
2023-24	0.41	0.38
2024-25	0.02	-
	2.13	2.26

(This space has been intentionally left blank)

(All amounts in Rs. crores, unless otherwise stated)

Note 22 - Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred government grants[i] [refer note 24(i)]	0.12	0.14
Total	0.12	0.14
Current		
Revenue received in advance [refer note 24(ii)(c)]	4.47	12.37
Deferred government grants[i] [refer note 24(i)]	0.02	0.02
Statutory dues payable	12.63	6.48
Total	17.12	18.87

(i) Movement of deferred government grants

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	0.16	0.18
Amortization during the year	(0.02)	(0.02)
At the end of the year	0.14	0.16

Note 23 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises[(i)]	3.18	2.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	64.32	87.07
Total	67.50	89.22

Ageing Schedule of trade payable

As at March 31, 2024	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.35	2.83	-	-	-	3.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	11.75	50.31	0.17	0.04	0.45	62.72
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-		1.60	-	-	1.60
Total	12.10	53.14	1.77	0.04	0.45	67.50

As at March 31, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.42	1.70	0.03	-	-	2.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	82.49	2.37	0.16	0.32	0.13	85.47
Disputed dues of micro enterprises and small enterprises	-		-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	1.60	-	-		1.60
Total	82.91	5.67	0.19	0.32	0.13	89.22

(i) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act 2006) and based on the information available with the Holding Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act 2006) at the year end are mentioned below. The same has been relied upon by the auditors.

Particulars	As at March 31, 2024	As at March 31, 2023
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	3.18	2.15
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	0.00	0.00
iii. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
v. The amount of interest accrued and remaining unpaid at the end of the accounting year*	0.00	0.00
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 24 - Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating revenue [i]		
Sale of products		
Manufactured/ Recycled goods	1,925.67	2,211.18
Traded goods	1,215.73	575.55
Sale of services	1.24	0.45
Other operating revenue		
Export incentives including amortisation of government grant [ii, iii and iv]	15.20	10.90
Job work income	0.20	0.49
Scrap sales	2.71	2.03
Total	3,160.75	2,800.60

i. Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2024 by Product type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are effected by industry, market and other economic factors.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue by product type:		
Lead	2,761.42	2,319.58
Aluminium	254.92	338.81
Turnkey projects	78.02	19.03
Plastics	40.90	104.50
Others	6.14	4.81
Revenue from sale of services	1.24	0.45
Total	3,142.64	2,787.18
Revenue by time:		
Revenue recognised at point in time	3,142.64	2,787.18
Total	3,142.64	2,787.18

(b) Trade receivables and contract balances

The Group present the right to consideration in exchange for sale of promised products/ service as Trade receivable in financial statements. A receivable is a right to consideration that is unconditional upon passage of time. Trade receivable are presented net of impairment (if any) in the Balance Sheet. Further, impairment of bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109. Refer note 42 for details of expected credit loss for trade receivables under simplified approach.

(c) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below: (refer note 22)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	12.37	13.55
Net Moment during the year	(7.90)	(1.18)
Balance at the end of the year	4.47	12.37

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract price	3,146.37	2,794.52
Less: discount, rebates, credits etc.	(3.73)	(7.34)
Revenue from operations as per Statement of Profit and Loss	3,142.64	2,787.18

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ii. The Holding Company's recycling facility at Chittoor, was eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the plant had been granted "Small Industry" status and was eligible for incentives like, power cost reimbursement, interest reimbursement, refund of sales tax/State Goods and Services Tax paid in cash, etc. Based on such policy, the Group had recognised the incentive computed based on State Goods and Services Tax paid to Government of Andhra Pradesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis amounting to Rs. 12.91 crores (Previous year Rs. nil crores). Further, the Group was also entitled for capital grant of Rs. 0.26 crores out of which Rs. 0.02 (previous year: Rs. 0.01 crores) has been recognised as Amortisation of government grant under the head 'Other operating revenue" and balance amount of Rs. 0.14 crores (previous year: Rs. 0.16 crores) has been recognised as Deferred government grants under head "Other liabilities".

iii. During current year, the amount of Rs. 1.42 crores (previous year: 4.37 Crores) has been recognised under the head 'Other operating revenue', which has been credited under electronic credit ledger under Remission of Duties or Taxes on Export Products (RoDTEP) scheme.

iv During the current year, an amount of Rs. 0.70 crores (previous year: Rs. 6.02 crores) has been recognised under the head "Other operating revenue", which has been credited under Duty Drawback scheme as envisaged under The Customs Act 1962.

Note 25 - Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from financial assets measured at amortised cost:		
- Bank deposits	8.13	0.38
- Income tax refunds	0.42	-
- Others	2.29	0.36
Other non-operating Income		
Liabilities/ provision no longer required written back	15.81	0.38
Miscellaneous income	3.54	3.11
Other gains		
Gain on disposal of property, plant and equipment (net)	0.14	0.47
Rental Income*	0.00	-
Gain on foreign currency exchange fluctuation (net)	8.88	31.60
Derivatives measured at fair value through profit and loss		
- Gain on foreign currency forward contracts	0.29	-
- Gain on commodity forward contracts	38.23	56.77
Income from mutual funds carried at fair value through profit and loss	0.08	0.01
Total	**77.81**	**93.08**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

Note 26 - Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening [(i)]	289.05	250.24
Adoption of Ind AS - 29 (refer note 50)	19.38	-
Total opening stock	**308.43**	**250.24**
Add: Purchase	2,586.86	2,334.23
Less: Closing stock[(i)]	336.05	289.05
Total[#]	**2,559.24**	**2,295.42**

[#]Cost of Material consumed includes packing material and other ancillary products which are used for manufacturing.
(i) inclusive of goods-in-transit

Note 27 - Purchases of stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Re-melted/ refined lead ingots	10.70	9.89
Aluminium and others	2.35	10.88
Total	**13.05**	**20.77**

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Note 28 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock		
Finished goods[i]	120.16	119.87
Work-in-progress	150.33	112.37
Stock-in-trade	0.20	4.28
Adoption of Ind AS- 29 (refer note 50)	6.47	-
Less: Closing stock		
Finished goods[i]	120.22	120.16
Work-in-progress	166.88	150.33
Stock-in-trade	1.16	0.20
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(11.10)	(34.17)

(i) inclusive of goods-in-transit

Note 29 - Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	112.09	111.49
Contribution to provident and other funds (refer note 43)	7.14	5.62
Employee share appreciation rights expenses (refer note 44)	-	6.90
Staff welfare expenses	12.01	9.55
Total	**131.24**	**133.56**

Note 30 - Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest costs on		
- Borrowings	38.51	27.41
- Lease liabilities	0.28	0.27
Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs	0.02	2.45
Other borrowing costs*	10.41	9.01
Total	**49.22**	**39.14**

* includes discounting and other charges

Note 31 - Depreciation and amortisation expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	37.38	23.12
Amortisation of intangible assets	0.04	0.14
Depreciation of right-of-use assets	0.57	0.70
Total	**37.99**	**23.96**

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Note 32 - Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	23.98	17.80
Rates and taxes	4.73	8.84
Consumption of stores and spare parts	12.29	9.85
Legal and professional fees	8.34	6.49
Repairs and maintenance		
- Plant and machinery	19.22	18.25
- Building	1.69	2.39
- Others	6.14	4.36
Freight and forwarding	50.31	57.12
Travelling and conveyance	10.02	8.36
Insurance	2.11	1.38
Rent (refer note 18)	4.91	6.26
Sales commission	1.28	1.40
Advertising and sales promotion	7.45	6.04
Communication	0.88	0.62
Donations and scholarships	0.02	0.02
Allowance for expected credit loss on financial assets (including write off)	2.44	3.11
Net loss on foreign currency transactions and translation	7.35	4.16
Loss on disposal/ discard of property, plant and equipment	1.36	0.52
Loss on sale of investment	-	4.50
Expenditure on corporate social responsibility	1.45	0.86
Bank charges	2.54	4.36
Investment in associate written-off	-	0.01
Contractual labour expenses	6.64	5.45
Other financial assets written off	-	6.49
Derivatives measured at fair value through profit or loss		
- Loss on foreign currency forward contracts	-	1.38
Miscellaneous expenses	7.60	5.73
Loss by natural calamities	2.02	1.66
Total	**184.77**	**187.41**

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Note 33 - Tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of current year	38.00	28.68
In respect of earlier year	(1.24)	1.85
	36.76	30.53
Deferred tax		
In respect of current year	6.11	2.97
Minimum alternate tax credit recognised during the current year	(11.00)	(10.00)
	(4.89)	(7.03)
Income tax expense reported in the Consolidated Statement of Profit and Loss	31.87	23.50
The reconciliation of the estimated tax expense at statutory Income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Accounting profit before tax	274.15	227.59
Statutory income tax rate*	34.94%	34.94%
Tax expense at statutory income tax rate	95.80	79.53
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable Income:		
Effect of income that is exempt from taxation	(51.80)	(39.88)
Utilisation of unrecognised Minimum Alternate Tax credits	(7.77)	(5.49)
Effect of expenses that are not deductible in determining taxable profit	0.56	1.77
Effect of different tax rates of subsidiaries operating in other jurisdictions	(4.21)	(18.09)
Effect of impairment of investments	-	0.29
Provision for non - allowance of statutory liabilities	0.20	1.44
Deferred tax assets not recognised on temporary difference, which will reverse within the tax holiday period	-	1.67
Movement in tax provision relating to earlier years	(1.24)	1.85
Others	0.33	0.41
Income tax expense recognised in Consolidated Statement of Profit and Loss	31.87	23.50

Deferred tax has not been created on incentive income/ receivable for Chittor plant of the Holding Company, considering the same will be realised within the tax holiday period available under section 80IA of Income tax Act, 1961.

*The Companies operating under different jurisdiction have different tax rates and some entities operate under trade free zone. However, for purpose of consolidation, tax rate applicable on the Holding Company has been assumed as standard tax rate.

Income tax recognised in Other comprehensive income

Particulars	March 31, 2024			March 31, 2023		
	Before tax	Tax Expenses/ (Benefits)	Net of Tax	Before tax	Tax Expenses/ (Benefits)	Net of Tax
Remeasurement of defined benefit plans	(1.69)	0.59	(1.10)	(0.80)	0.28	(0.52)
Change in fair value of hedging instruments*	(0.98)	0.34	(0.64)	0.00	(0.00)	-
Foreign currency translation reserve*	(9.69)	-	(9.69)	0.18	(0.00)	0.18
Total	(12.36)	0.93	(11.43)	(0.62)	0.28	(0.34)

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

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Note 34 - Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Bank guarantees		
- Bank guarantee given by the Group Companies	11.18	4.68
Claim against the Group not acknowledged as debt[i]		
- Excise Duty/Customs Duty/Service Tax/Goods and Service Tax	78.63	9.88
	89.81	14.56

(i) All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liability could arise on the Group on account of these proceedings.

(ii) During the current year, the Holding Company has filed an appeal against the demand order received from the Office of the Commissioner of Customs (Preventive), Jodhpur amounting to Rs. 70.10 crore (excluding applicable interest, fine and penalty) for violating the 'pre-import conditions' as envisaged in advance authorisation licence pertaining to the period from October, 2017 to January 2019 vide notification no. 79/2017-Customs dated 17/10/2017 of The Custom Act, 1962. The management of the Holding Company, based on its overall assessment and independent legal and tax opinion believe that the Holding Company has a case on merit and question of law and accordingly, contest the matter in appellate authorities. Basis above, the management of the Holding Company is of the view that the order will not have any material impact on its consolidated financial statements and in case of any liability devolves on the Holding Company, the Holding Company will be entitled to take the credit of the tax amount. Considering all available records, facts and opinion of legal and tax counsel, the Holding Company has not identifies any adjustments in the current year consolidated financial statements.

(b) Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	8.87	2.62
Other commitments related to export obligations pertaining to the Holding Company	17.90	23.48
Total	26.77	26.10

Note 35 - Dividend

Particulars	Dividend per share	Total dividend amount
For the year ended March 31, 2024		
Interim dividend for financial year 2023-24[i]	-	-
For the year ended March 31, 2023		
Final dividend for financial year 2022-23[(ii)(iii)]	4.35	29.51
Interim dividend for financial year 2022-23		4.32

(i) Interim dividend of Rs 5.20 per share amounting to Rs. 35.90 crores has been approved by the Board of Directors in its meeting held on April 30, 2024.

(ii) Final dividend recommended by the Board of Directors in its meeting held on May 01, 2023 and approved by shareholders at their meeting on September 11, 2023 has been paid during the current financial year ended March 31, 2024

(iii) It does not include amount paid to Gravita Employee Welfare Trust by the Holding Company.

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Note 36 - Earning per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to owners of holding company (Rs. in Crores) (A)	239.19	201.10
Total shares issued at the beginning of the year (in numbers) (B) (refer note 15)	6,90,37,914	6,90,37,914
Less: Weighted average number of shares reserved under Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust (C)	(4,54,723)	(13,80,500)
Weighted-average number of equity shares for basic EPS (D) = (B + C)	**6,85,83,191**	**6,76,57,414**
Effect of dilution* (E)	-	-
Weighted-average number of equity shares for diluted EPS (F) = (D + E)	**6,85,83,191**	**6,76,57,414**
Basic earnings per share (in Rs.) (A/D)	**34.88**	**29.72**
Diluted earnings per share (in Rs.) (A/F)	**34.88**	**29.72**

*Options granted under stock appreciation rights scheme are considered as potential equity shares. But they have not been included in the determination of diluted earning per share as these have been acquired from the open market by the employee welfare trust.

Note 37 - Reconciliation of liabilities arising from financing activities

Particulars	Non-current borrowing	Current borrowing	Lease liabilities
As at April 1, 2022	109.53	278.29	3.70
Cash inflow	20.98		-
Cash outflow	(40.11)	(24.21)	(0.83)
Non-cash changes			
- Recognition of lease liabilities	-	-	0.12
- Unrealised foreign exchange gain on restatement of foreign currency loans	-	(0.01)	-
- Interest cost on lease liabilities		-	0.27
As at March 31, 2023	90.39	254.07	3.26
Cash inflow	240.75	40.87	-
Cash outflow	(81.93)	-	(1.09)
Non cash changes			
- Unrealised foreign exchange gain on restatement of foreign currency loans	-	(0.98)	
- Others	-	1.96	-
- Interest cost on lease liabilities	-	-	0.28
As at March 31, 2024	249.21	295.92	2.46

Note 38 - The Group has not entered into any transaction which is covered under section 186(4) of the Companies Act, 2013 during the year ended March 31, 2024.

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(All amounts in Rs. crores, unless otherwise stated)

Note 39 - Disclosure of effects of hedge accounting on financial position

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value in USD (Absolute number)	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
As at March 31, 2024 Cash flow hedge Pre-shipment credit in foreign currency (PCFCs)	55,27,466	0.45	August 31, 2024	1:1	Rs. 81.81/ USD	0.98	0.98
As at March 31, 2023 Cash flow hedge Pre-shipment credit in foreign currency (PCFCs)	1,06,629	1.62	August 29, 2023	1.1	Rs. 82.54/ USD	(0.01)	(0.01)

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive loss (income)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
For the year ended March 31, 2024 Cash flow hedge Pre-shipment credit in foreign currency (PCFCs)	0.98	-	-	NA
For the year ended March 31, 2023 Cash flow hedge Pre-shipment credit in foreign currency (PCFCs) *	(0.01)	-	0.00	Finance cost and other expenses

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2024	March 31, 2023
Amount at the beginning of the year	0.38	0.39
Add: Changes in value of PCFCs	0.98	(0.01)
Less: Amount reclassified to profit or loss	-	-
Less: Deferred tax relating to above (net)	(0.34)	-
Amount at the end of the year	1.02	0.38

Note 40 - Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2024, the Group is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. The Group's management reviews the capital structure of the Group on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Group also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

The following table summarises the capital of the Group

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital	13.81	13.81
Other equity	823.59	575.12
Total equity	837.40	588.93
Non-current borrowings	249.21	90.39
Current borrowings (including current maturities)	296.92	254.07
Total debt	546.13	344.46
Total capital (Debt + Equity)	1,382.53	933.39
Gearing ratio	65%	58%

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Note 41 - Financial Instruments

A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at March 31, 2024		As at March 31, 2023	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets					
Investments*	6	0.00	16.50	0.00	1.11
Trade receivables	12	264.33	-	137.02	
Other financial assets	8	72.65	-	51.40	-
Derivative assets	8	-	20.77	-	3.88
Loans	7	-	-	0.50	-
Cash and cash equivalents	13	35.81	-	30.37	-
Bank balances other than cash and cash equivalents	14	62.97	-	7.75	-
Total financial assets		435.66	37.27	227.04	4.99
Financial liabilities					
Non-current borrowings	17	249.21	-	50.39	-
Current borrowings	17	295.92		254.77	-
Lease liabilities	18	2.46	-	3.26	-
Trade payables	23	67.50	-	89.22	-
Other financial liabilities	19	103.05	-	126.75	-
Derivative liabilities	19	-	-	-	0.26
Total financial liabilities		718.14	-	563.89	0.26

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Group has opted for designating the derivative assets and derivative liabilities to classify as fair value through profit or loss as the respective gain/(loss) on the original asset/liability is routed through the statement of profit and loss, therefore, the Group intends to classify these derivate assets and derivative liabilities through profit or loss.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Note	Level 1	Level 2	Level 3	Total
As at March 31, 2024					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	20.77	-	20.77
Investment in mutual funds	6	16.50	-	-	16.50
As at March 31, 2023					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	3.88	-	3.88
Investment in mutual funds	6	1.11	-	-	1.11
Derivative liabilities	19	-	0.26	-	0.26

Valuation process and technique used to determine fair value

i. The fair value of investments in quoted equity shares (level 1) is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

iii. The Group enters into commodity contracts with financial institutions for hedging price risk of lead arising from its import and export. Fair values of such contracts (level 2) are determined based on observable rates of the commodity for similar contracts for the remaining maturity on the balance sheet date. The valuation of such instruments is carried out through the rates (marked to market) confirmed by the respective banks as at the balance sheet date.

iv. There are no significant changes in value of level 3 investment measured at fair value through other comprehensive income.

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Note 41 - Financial Instruments (continued)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Note	March 31, 2024		March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
Non-current financial assets					
Investments*	6	0.00	0.00	0.00	0.00
Security deposits	8	2.73	2.73	3.73	3.73
Others (amount deposited with Government authorities)	9	3.85	3.85	4.40	4.40
Deposits with bank (with remaining maturity more than 12 months)	8	2.70	2.70	0.10	0.10
Non-current financial liabilities					
Borrowings	17	249.21	249.21	90.39	90.39
Lease liabilities	18	1.78	1.78	2.53	2.53

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables, current lease liabilities and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current borrowings and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual credit worthiness of the counterparty/borrower and other market risk factors.

ii. The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.

iii. Long term borrowing facilities availed by the Group which are variable rate facilities, are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

Note 42 - Financial Risk Management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, other bank balances, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow	Availability of committed credit lines and borrowing
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

I. **Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a. **Credit risk management**

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

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Note 42 - Financial Risk Management (continued)

The Group provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, other bank balances, derivative financial instruments, financial assets measured at amortised cost	12 month expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Low credit risk			
Loans	7	-	0.50
Security deposits	8	3.93	4.62
Trade receivables	12	264.33	137.02
Cash and cash equivalents	13	35.81	30.37
Bank balances other than cash and cash equivalents	14	62.97	7.75
Other financial assets (including derivative assets)	8	89.39	50.66
High credit risk			
Trade receivables	12	3.10	2.76
Total		459.53	233.68

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Group. The Group has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Group recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits

b. **Expected credit losses for financial assets**

i. **Financial assets (other than trade receivables)**

Group provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash and cash equivalents, other bank balances and derivative financial instruments - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

For security deposits paid - Credit risk is considered low because the Group is in possession of the underlying asset.

For other financial assets - Credit risk is evaluated based on Group knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Particulars	Notes	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2024					
Cash and cash equivalents	13	35.81	0.00%	-	35.81
Bank balances other than cash and cash equivalents	14	62.97	0.00%	-	62.97
Security deposits	8	3.93	0.00%		3.93
Other financial assets	8	89.39	0.00%	-	89.39
March 31, 2023					
Cash and cash equivalents	13	30.37	0.00%	-	30.37
Bank balances other than cash and cash equivalents	14	7.75	0.00%		7.75
Loans	7	0.50	0.00%		0.50
Security deposits	8	4.62	0.00%	-	4.62
Other financial assets	8	50.66	0.00%		50.66

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(All amounts in Rs. crores, unless otherwise stated)

Note 42 - Financial Risk Management (cont'd)

ii. **Expected credit loss for trade receivables under simplified approach**

As at March 31, 2024 and March 31, 2023, the Group considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount of impairment provision
March 31, 2024				
Amount not yet due	217.58	-		217.58
Between one to six month overdue	46.75	-	-	46.75
Greater than six month overdue	3.10	100.00%	3.10	-
Total	**267.43**		**3.10**	**264.33**
March 31, 2023				
Amount not yet due	84.65	-	-	84.65
Between one to six month overdue	46.65	-	-	46.65
Greater than six month overdue	8.48	32.55%	2.76	5.72
Total	**139.78**		**2.76**	**137.02**

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period

Particulars	Trade receivables
Loss allowance as at April 1, 2022	3.32
Changes in loss allowance	3.11
Less: Amounts written off during the year	(3.67)
Loss allowance as at March 31, 2023	**2.76**
Add: Allowance provided during the year	0.34
Less: Amounts written off during the year	-
Loss allowance on March 31, 2024	**3.10**

II. **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

a. Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2024	As at March 31, 2023
Undrawn*	185.46	73.09

* Includes working capital facilities which is due for review every year

b. **Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
March 31, 2024				
Non-derivatives				
Non-current borrowings	-	249.21	-	249.21
Current borrowings	295.92			295.92
Lease liabilities	0.83	1.79	0.50	3.12
Trade payables	67.50			67.50
Other financial liabilities	103.05	-	-	103.05
Total	**467.30**	**251.00**	**0.50**	**718.80**
March 31, 2023				
Non-derivatives				
Non-current borrowings	-	90.39		90.39
Current borrowings	254.07		-	254.07
Lease liabilities	1.43	2.39	0.82	4.64
Trade payables	89.22			89.22
Other financial liabilities	115.38			115.38
Total	**460.10**	**92.78**	**0.82**	**553.70**

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Note 42 - Financial Risk Management (cont'd)

III. Market risk

a. Foreign currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. The Group's exposure to foreign currency changes for all other currencies which are not stated below is not material. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	160.53	32.10	352.53	61.05

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near term future volatility.

The impact on the Group's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
USD Sensitivity		
INR/USD - Increase by 2.03% (Previous Year 4.95%)	(3.90)	(1.43)
INR/USD - Decrease by 2.03% (previous year 4.95%)	3.90	1.43

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

Outstanding contracts	No. of deals		Foreign currency USD (Absolute numbers)		Nominal amount (INR)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD / INR sell forward	2,610	2,614	46,72,607	55,01,649	38.96	45.23
Commodity derivative	9,575	12,225	1,97,44,589	2,57,70,300	164.62	211.88

b. Interest rate risk

i. Financial liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. As at March 31, 2024 and March 31, 2023, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Group's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowing	545.13	280.95
Fixed rate borrowing	-	63.51
Total borrowings	545.13	344.46

Sensitivity

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity[(i)]		
INR Borrowings		
Interest rates – increase by 100 basis points	5.45	2.81
Interest rates – decrease by 100 basis points	(5.45)	(2.81)

(i) Holding all other variables constant

c. Price risk

Exposure

The Group exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. There are no investments held by the Group which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Group is not exposed to price risk.

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Note 43 - Employee benefits plans

(i) Defined Contribution Plans

The Group makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Employer's contribution to provident funds	6.57	5.09
Employer's contribution to employee state insurance and other funds	0.57	0.53
Employer's contribution to labour welfare fund*	0.00	0.00

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

Earned leaves- Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

These plans typically expose the Group to actuarial risks such as Investment risk, salary risk, interest rate risk and longevity risk.

Investment Risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk -The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Reconciliation of opening and closing balances Defined Benefit Obligation for the Group*

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Change in benefit obligation (A)				
Present value of obligation as at the beginning of the year	5.60	1.65	4.40	1.60
Current service cost	1.21	0.43	0.22	0.24
Interest cost	0.39	0.08	0.26	0.07
Actuarial loss/ (gain)	1.69	0.42	0.80	(0.18)
Actuarial loss/ (gain) on plan assets		-	-	-
Benefits paid	(0.28)	(0.16)	(0.08)	(0.08)
Present value of obligation as at the end of the year	**8.61**	**2.42**	**5.60**	**1.65**
Change in plan assets (B)				
Fair value of plan assets at the beginning of the year	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Liability recognized in the financial statement (A - B)	**8.61**	**2.42**	**5.60**	**1.65**

*The actuarial valuation of defined benefit plans is conducted by the companies, wherever applicable, as per the jurisdiction previliant in the respective countries.

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Note 43 - Employee benefits plans (cont'd)

Actuarial assumptions

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount rate	7.25%	7.25%	7.18% to 8.00%	7.18% to 8.00%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	21.24	21.26	20.83	20.91
Weighted average duration of defined benefit obligation (years)	18.62	18.52	17.69	17.69
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

Maturity profile of defined benefit obligation

Year	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	1.27	0.64	0.92	0.60
1 to 2 year	2.28	0.10	0.13	0.05
2 to 3 year	0.38	0.18	1.89	0.07
3 to 4 year	0.79	0.28	0.39	0.14
4 to 5 year	0.17	0.05	0.57	0.21
5 to 6 year	0.09	0.03	0.09	0.03
6 year onwards	3.63	1.14	1.62	0.55

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
Current service cost	1.21	0.43	0.22	0.24
Net interest cost	0.39	0.08	0.26	0.07
Actuarial loss / (gain)	-	0.42	-	(0.18)
Total amount recognised in profit or loss	**1.60**	**0.93**	**0.48**	**0.13**
Re-measurements recognised in Other comprehensive income				
Actuarial (gain) / loss on plan assets	-	-	-	
Effect of changes in demographic assumptions	-	-	-	
Effect of changes in financial assumptions	0.07	-	(0.06)	
Effect of experience adjustments	1.62		0.85	
Total re-measurements included in Other Comprehensive Income	**1.69**	-	**0.80**	-
Total amount recognised in Statement of Profit and Loss	**3.29**	**0.93**	**1.28**	**0.13**

Provision created in subsidiary companies are complied with as per the requirements of their respective land laws wherever applicable.

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	8.61	2.42	5.60	1.65
(a) Impact of the change in discount rate				
Impact due to increase of 0.50%	(0.31)	(0.10)	(0.15)	(0.05)
Impact due to decrease of 0.50%	0.33	0.11	0.17	0.05
(b) Impact of the change in salary increase				
Impact due to increase of 0.50%	0.34	0.11	0.17	0.06
Impact due to decrease of 0.50%	(0.31)	(0.10)	(0.16)	(0.05)

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Note 44 - Employee share based payments

Employee Stock appreciation rights Scheme

In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, inter alia, administered and monitored the Gravita Stock Appreciation Rights Scheme 2017 of the Holding Company. The Compensation Committee, at its meeting granted 6,52,500 Stock Appreciation Rights ('SAR') during the previous year to the employees of the Group under Gravita Stock Appreciation rights Scheme 2017. The method of settlement of these Stock Appreciation Rights was through cash at the retirement of the respective employees. During the current year, the Compensation Committee of the Holding Company has terminated the Scheme and the provision created in the previous periods amounting to Rs. 11.63 crores has been written back on account of termination of the scheme.

During the year, 380,500 shares of face value of Rs. 2 each of the Holding Company, held by the Gravita Employee Welfare Trust ('the Trust') has been sold in the open market and the proceeds from the sale of such shares, net of liability payable by the Trust, will be recognize for the welfare of the employees of the Group as per the requirement of the Trust Deed. The Holding Company has no legal right or control towards the utilization of funds as accumulated in the Trust by sale of its investment in the open market. The Trust being an independent entity has sole responsibility / obligation to utilize the fund for the welfare of beneficiaries (employees of the Group) as per the terms of the trust deed. Ind AS 102 'Share-based payment' requires an entity to reflect in its profit or loss and financial position, the effects of share-based payment transactions, including expenses associated with the transactions in which share options are granted to employees. During the previous reporting periods, the Holding Company had recorded the transactions as per Ind AS 102 and during the current year, the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') has been terminated. Post termination of the Scheme, the Trust has no obligation to make payment under any share- based payment scheme. The Trust will act independently and make distribution/usage of fund as per the purpose defined in the trust deed. For the aforesaid reason, the management of the Group is of the view that distribution/utilisation for the employee benefits, equivalent to appreciation, net of liability of the Trust, if any, received by the Trust by selling the investment in the open market amounting to Rs. 20.67 crores, will not be recognised in Holding Company's consolidated statement of profit and loss, as the transaction is not covered under Ind AS 102. The Group believe that all the appreciation on sale of such shares by the Trust pertains to the employees of the Group and will be utilised for the welfare of the employees by the Trust and there would not be any impact on the consolidated financial statements. The Group has directly debited 'other equity' with the same amount towards creating a liability for utilisation of said amount for the employee welfare. Based on the independent opinion and its assessment, management of the Group is of the view that accounting treatment has been done appropriately in the consolidated financial statements.

(i) Movement of shares acquired by Gravita Employee Welfare Trust

Particulars	March 31, 2024	March 31, 2023
Number of shares outstanding at the beginning of the year	13,80,500	13,80,500
Equity shares acquired during the year	-	-
Equity shares sold during the year	(3,80,500)	-
Number of shares outstanding at the end of the year	10,00,000	13,80,500

(ii) Movement of shares appreciation rights (surrendered)/granted by Gravita Employee Welfare Trust

Particulars	March 31, 2024	March 31, 2023
Number of shares appreciation rights granted at the beginning	13,80,500	7,28,000
Shares appreciation rights (surrendered)/granted during the year	(13,80,500)	6,52,500
Number of shares appreciation rights granted at the end of the year	-	13,80,500

(iii) Gravita has granted certain SAR to its employees under the Scheme details of which are as under*

Grant of SAR	Number of SAR	
	March 31, 2024	March 31, 2023
SAR 2018-19	-	70,000
SAR 2019-20	-	1,29,600
SAR 2020-21	-	5,03,000
SAR 2022-23	-	6,77,900
Total	-	13,80,500

(iv)

Particulars	March 31, 2023	March 31, 2022
Weighted average remaining contractual life (in years)	-	24.90

(v) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for the options granted till 31 March 2023*#:

Date of Grant	Market Price as at 31 March 2023	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation/ Expected Volatility	Employee Attrition	Fair Value per share as at 31 March 2023
1 April 2018	484.65	70,000	3.27 to 19.32	143.31	6.88% to 7.00%	52.01% to 56.11%	18.00%	308.25 to 379.96
1 April 2019	484.65	1,29,600	3.27	108.23	6.88%	53.80%	18.00%	328.86
1 April 2020	484.65	5,03,000	1.08 to 24.90	42.55	6.72% to 7.03%	45.55% to 56.11%	18.00%	364.98 to 393.40
23 January 2023	484.65	6,52,500	3.11 to 16.73	70.00	6.87% to 6.98%	52.29% to 56.11%	18.00%	351.44 to 384.57
23 January 2023	484.65	25,400	3.11	80.00	6.87%	52.29%	18.00%	345.05

* expected dividends are nil as the Gravita Employee Welfare Trust has historically never distributed any dividends.

The above disclosure is not relevent for the financial year ended March 31, 2024 considering termination of Gravita Stock Appreciation Rights Scheme, 2017, during the year.

Determination of volatility

Volatility is the degree to which price moves, whether it goes up or down. It is a measure of the speed and magnitude of the underlying's price changes. Historical volatility refers to the actual price changes that have been observed over a specified time. There is no research that demonstrates conclusively how long the historical period used to estimate expected long-term future volatility should be. Hence, we have considered the historical volatility of the shares of the Holding Company on National Stock Exchange ('NSE') commensurate with the expected life of the share option being valued.

Note 45 - Segment information

Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Board of Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated in the segments below:

i) Lead processing
ii) Aluminium processing
iii) Turn-key solutions
iv) Plastic manufacturing

Lead processing includes smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc.

Aluminium processing includes trading of Taint Tabor and Tense aluminium scraps manufacturing of alloy from melting of aluminium scrap.

Turn key solution includes, complete supply of plant and machinery related to lead manufacturing plant. Further, since carton trading does not amounts to primary business activities, hence the same has been clubbed in others in segment reporting.

Segment revenue and results include the respective amounts identifiable to each of the segments. Other unallowable expenditure includes expenses incurred on finance cost, which are not directly identifiable to segments.

In addition to the material accounting policies applicable to the business segments as set out in note 1(F)(XXIII), the accounting policies in relation to segment accounting are as under:

(a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipment, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes.

(c) Geographical segments

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation is mainly for two locations:

(i) India (country of domicile); and
(ii) other than India (all countries other than India is considered by CODM as one geographical area).

The Group's revenue from continuing operations from external customers by location of operations and Information about its non-current assets* by location of assets has been given below:

* Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts.

(i) located in the entity's country of domicile; and
(ii) located in all foreign countries in total in which the entity holds assets.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 45 - Segment information (Cont'd)

Particulars	March 31, 2024	March 31, 2023
A. Segment revenue [(i)]		
Lead	2,780.77	2,333.45
Aluminium	254.92	338.81
Plastics	78.02	104.50
Turnkey projects	40.90	19.03
Others	6.14	4.81
Total	3,160.75	2,800.60
B. Segment results		
Lead	275.25	235.90
Aluminium	16.27	32.46
Plastics	11.74	16.40
Turnkey projects	20.96	11.73
Others	0.43	0.69
Total	324.65	297.18
C. Reconciliation of segment result with profit after tax		
Segment results	324.65	297.18
(less)/ Add: Unallocated (expenses)/ income		
Finance costs	(49.22)	(39.14)
Other income	30.70	4.70
Other expenses	(31.98)	(35.15)
Share of loss of an associate*	-	0.00
Tax expenses	(31.87)	(23.50)
Profit after tax in the Statement of Profit and Loss	242.28	204.09
D. Segment depreciation and amortisation expense		
Lead	20.32	11.32
Aluminium	3.92	1.75
Turnkey projects	2.59	3.91
Plastics	0.76	1.03
Others	0.02	0.03
Unallocated	10.38	5.92
Total	37.99	23.96
D. Segment assets		
Lead	1,131.91	890.65
Aluminium	165.09	197.42
Turnkey projects	61.05	21.36
Plastics	26.66	39.99
Others	1.27	2.09
Unallocated assets	216.37	53.69
Total assets	1,602.35	1,205.20
E. Segment Liabilities		
Lead	264.08	312.51
Aluminium	158.42	113.23
Turnkey projects	19.64	12.51
Plastics	9.08	4.98
Others	4.03	3.16
Unallocated liabilities	296.53	157.11
Total liabilities	751.78	603.50

Note 45 - Segment information (Cont'd)

Particulars		March 31, 2024	March 31, 2023
F. Revenue by geographical market			
Within India		1,954.51	1,258.43
United Arab Emirates		481.58	329.84
South Korea		37.16	256.66
Outside India (other than above)		687.50	955.67
	Total	3,160.75	2,800.60
H. Non-current assets by geographical market			
Within India		249.50	215.42
Outside India		176.66	126.28
	Total	426.15	341.70

(i) Segment revenue reported above represents revenue generated from external customers

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

Information about major customers

Sales of Rs. 1,269.39 crores (previous year: Rs. 953.52 crores), included in total revenue, which arose from sales of two of the Group's largest customers. No other single customers contributed 10% or more to the Group's revenue in current year ended 31 March 2024 and previous year ended 31 March 2023.

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(All amounts in Rs. crores, unless otherwise stated)

Note 46 - Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(I) Details of subsidiaries and associates

(a) Subsidiaries

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2024	% of Holding as at March 31, 2023
Gravita Infotech Limited	India	100.00	100.00
Noble Buildestate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal Sau	Senegal	100.00	100.00
Gravita Nicaragua SA (till April 05, 2023)	Nicaragua	-	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc	USA	100.00	100.00
Gravita Mali SA (till August 21, 2023)	Mali	-	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Limited	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Green Recyclers Mozambique Ltd. (from November 29, 2022)	Mozambique	100.00	100.00
Gravita Togo SAU	Togo	100.00	100.00
Gravita Gulf DMCC (from August 3, 2023)	UAE	100.00	-
Recyclers South Africa (PTY) Ltd (from October 10, 2023)	South Africa	100.00	-
Gravita Conakry SAU (from June 14, 2023)	Conakry	100.00	-
Green Recyclers LLC (from October 25, 2023)	Oman	51.00	-
Gravita Dominicana S.A.S. (from August 10, 2023)	Dominicana	100.00	-

(b) Associate

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2024	% of Holding as at March 31, 2023
Pearl Landcon Private Limited (till August 12, 2022)	India	-	-

(c) Partnership firms

Name of the entity	Country of incorporation	% of Holding as at March 31, 2024	% of Holding as at March 31, 2023
M/s Gravita Metal Inc	India	100.00	100.00
M/s Gravita Infotech	India	100.00	100.00

(d) Limited liability partnership firm

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2024	% of Holding as at March 31, 2023
M/s Recycling Infotech LLP	India	100.00	100.00

(e) Trusts

Name of the entity	Country of Incorporation
Gravita Employee Welfare Trust	India

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

Note 46 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (Cont'd)

(II) Information about standalone subsidiaries/ entities consolidated

(i) For financial year ended 31 March 2024

Name of the entity	Net assets[1]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India limited	54.51%	456.50	75.10%	179.62	13.03%	(1.62)	78.50%	178.00
Subsidiaries								
Indian subsidiaries (ii)								
Gravita Infotech Limited	0.19%	1.56	(0.05%)	(0.12)	-	-	(0.05%)	(0.12)
Gravita Infotech	0.00%	0.02	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Noble Buildestate Private Limited*	(0.00%)	(0.00)	(0.00%)	(0.00)	-	-	(0.00%)	(0.00)
Gravita Metal Inc.	0.12%	1.00	1.04%	2.49	0.92%	(0.11)	1.04%	2.37
Recycling Infotech LLP*	0.00%	0.02	(0.00%)	(0.00)	-	-	(0.00%)	(0.00)
Gravita Employee Welfare Trust*	0.00%	0.00	0.86%	2.06	-	-	0.91%	2.06
Foreign subsidiaries								
Gravita Ghana Limited	0.07%	0.56	(0.06%)	(0.15)	0.73%	(0.09)	(0.10%)	(0.24)
Gravita Netherlands BV	7.33%	61.38	(1.70%)	(4.07)	(4.83%)	0.60	(1.53%)	(3.47)
Gravita Global Pte Limited	1.22%	10.23	0.01%	0.02	(0.24%)	0.03	0.02%	0.05
Gravita Senegal SAU	5.33%	44.64	(2.25%)	(5.38)	(1.27%)	0.16	(2.30%)	(5.22)
Gravita Mali SA* (Till August 21, 2023)	(0.00%)	(0.00)	(0.03%)	(0.07)	(0.00%)	0.00	(0.03%)	(0.07)
Gravita Nicaragua SA* (Till April 05, 2023)	-	-	-	-	-	-	-	-
Navam Lanka Limited	3.28%	27.44	2.69%	6.44	(17.13%)	2.13	3.78%	8.57
Gravita Mozambique LDA	7.22%	60.49	3.65%	8.74	(5.61%)	0.70	4.16%	9.44
Gravita USA Inc*	0.66%	5.53	(0.03%)	(0.08)	(0.62%)	0.08	0.00%	0.00
Gravita Jamaica Limited*	0.00%	0.00	4.60%	11.00	(1.85%)	0.23	4.95%	11.23
Gravita Ventures Limited*	0.00%	0.02	(0.01%)	(0.02)	0.02%	(0.00)	(0.01%)	(0.02)
Recyclers Gravita Costa Rica SA*	(0.00%)	(0.00)	0.95%	2.28	0.52%	(0.06)	0.98%	2.22
Gravita Tanzania Limited	9.32%	78.06	9.81%	23.45	34.99%	(4.36)	8.42%	19.09
Recyclers Ghana Limited	10.80%	90.41	10.95%	26.19	76.15%	(9.48)	7.37%	16.71
Mozambique Recyclers LDA	5.05%	42.30	3.20%	7.64	(3.42%)	0.43	3.56%	8.07
Green Recyclers Mozambique Lda.(From 29 November, 2022)*	0.20%	1.66	-	-	(0.17%)	0.02	0.01%	0.02
Gravita Conakry SAU (from June 14, 2023)	0.05%	0.42	-	-	-	-	-	-
Gravita Togo Sau	(1.81%)	(15.15)	(5.99%)	(14.32)	0.87%	(0.11)	(6.36%)	(14.43)
Recyclers South Africa (PTY) Ltd (from October 10, 2023)	0.03%	0.29	-		-	-	-	-
Gravita Gulf DMCC (from August 3, 2023)	-	-	-	-	-		-	-
Gravita Dominicana S.A.S.(from August 10, 2023)	-	-	-	-	-		-	-
Green Recyclers LLC (from October 25, 2023)	-	-	-	-	-	-	-	-
Total		867.38		245.70		(11.45)		234.25
Adjustments arising out of consolidation	(3.58%)	(29.98)	(2.72%)	(6.51)	8.00%	(1.00)	(3.31%)	(7.51)
Sub-total (a)	100%	837.40	100%	239.19	100%	(12.45)	100%	226.74
Non - controlling interests (iii)								
Navam Lanka Limited		13.17		3.09		1.02		4.11
Sub-total (b)		13.17		3.09		1.02		4.11
Total (a + b)		850.57		242.28		(11.43)		230.85

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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(All amounts in Rs. crores, unless otherwise stated)

Note 46 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (Cont'd)

(ii) For financial year ended 31 March 2023

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive Income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India Limited	52.39%	308.53	50.30%	101.15	115.94%	(0.51)	50.15%	100.64
Subsidiaries								
Indian subsidiaries[ii]								
Gravita Infotech Limited	0.29%	1.68	(0.21%)	(0.42)	-	-	(0.21%)	(0.42)
Gravita Infotech	0.00%	0.02	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
Noble Buildestate Private Limited	0.00%	0.00	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
Gravita Metal Inc.*	0.17%	1.00	(0.06%)	(0.12)	-	-	(0.06%)	(0.12)
Recycling Infotech LLP*	0.00%	0.02	(0.00%)	(0.00)	-	-	(0.00%)	(0.00)
Gravita Employee Welfare Trust	(0.35%)	(2.06)	(0.37%)	(0.74)	-	-	(0.37%)	(0.74)
Foreign subsidiaries								
Gravita Ghana Limited	0.14%	0.80	0.07%	0.14	78.22%	(0.34)	(0.10%)	(0.20)
Gravita Netherlands BV	11.75%	69.21	1.42%	2.85	(1633.68%)	7.19	5.00%	10.04
Gravita Global Pte Limited	1.73%	10.18	(0.04%)	(0.08)	(41.44%)	0.18	0.05%	0.10
Gravita Senegal SAU	8.47%	49.86	6.53%	13.12	(424.87%)	1.87	7.47%	14.99
Gravita Mali SA (till August 21, 2023)	0.01%	0.07	(0.00%)	(0.01)	(0.99%)	0.00	(0.01%)	(0.01)
Gravita Nicaragua SA* (till April 5, 2023)	0.00%	0.00	(2.15%)	(4.33)	245.93%	(1.08)	(2.70%)	(5.42)
Navam Lanka Limited	3.20%	18.87	3.10%	6.23	(47.50%)	0.21	3.21%	6.44
Gravita Mozambique LDA	8.67%	51.05	4.38%	8.80	(587.70%)	2.59	5.68%	11.39
Gravita USA Inc	0.94%	5.53	0.23%	0.46	(92.08%)	0.41	0.43%	0.87
Gravita Jamaica Limited	(1.91%)	(11.23)	0.08%	0.15	248.19%	(1.09)	(0.47%)	(0.94)
Gravita Ventures Limited	0.01%	0.03	(0.00%)	(0.00)	(0.64%)	0.00	0.00%	0.00
Recyclers Gravita Costa Rica SA	(0.38%)	(2.21)	0.19%	0.38	133.37%	(0.59)	(0.11%)	(0.21)
Gravita Tanzania Limited*	10.01%	58.98	6.71%	13.49	(651.71%)	2.87	8.15%	16.36
Recyclers Ghana Limited	12.51%	73.70	22.88%	46.02	2714.98%	(11.95)	16.98%	34.07
Mozambique Recyclers LDA	5.81%	34.23	10.63%	21.38	(133.96%)	0.59	10.95%	21.97
Green Recyclers Mozambique Ltd.(From 29 November, 2022)*	-	-	-	-	-	-	-	-
Gravita Dominican SAS (till September 6, 2021)*	0.21%	1.23	-	-	1.75%	(0.01)	(0.00%)	(0.01)
Gravita Peru SAC (till 03 February, 2022)*	-	-	-	-	-	-	-	-
Gravita Togo Sau (From August 04, 2021)*	(0.12%)	(0.72)	(0.42%)	(0.84)	141.34%	(0.62)	(0.73%)	(1.46)
		668.75		207.60		(0.28)		207.31
Adjustments arising out of consolidation	(13.55%)	(79.82)	(3.23%)	(6.50)	35.99%	(0.16)	(3.31%)	(6.65)
Total (a)	100%	588.93	100%	201.10	100%	(0.44)	100%	200.66
Non-controlling interests								
Navam Lanka Limited		12.77		2.99		0.10		3.09
Total (b)		12.77		2.99		0.10		3.09
Associates								
Pearl Landcor Private Limited*		0.00		(0.00)		-		(0.00)
Total (c)		0.00		(0.00)		-		(0.00)
Total (a + b + c)		601.70		204.09		(0.34)		203.75

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) total assets less total liabilities
(ii) including partnership firms, LLP and trust

(iii) Non-controlling interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Holding Company.

The balance of non-controlling interests as at the end of the year is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Non-controlling interests[i]	13.17	12.77

(i) Gravita India Limited through its wholly owned step down subsidiary, Gravita Netherlands B.V. holds 52% equity stake in Navam Lanka Limited.

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

Note 46 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 (Cont'd)

The tables below provide summarised information in respect of Balance Sheet as at March 31, 2024 and March 31, 2023, Statement of Profit and Loss and Statement of Cash Flows for the year ended March 31, 2024 and March 31, 2023, in respect of the above-mentioned entity:

Summarised information related to Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Non current assets	3.12	2.97
Current assets	26.43	17.24
Total assets	29.55	20.21
Non-current liabilities	0.72	0.67
Current liabilities	1.38	0.68
Total liabilities	2.10	1.35
Net assets	27.45	18.86
Accumulated non-controlling interest	13.17	12.77

Summarised information related to Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Income	72.95	35.65
Profit for the year	6.44	5.23
Total comprehensive income for the year	8.57	5.44

Summarised information related to cash flow Statement

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net cash flow (used in) / from operating activities	(0.75)	18.07
Net cash flow from investing activities	0.35	2.41
Net cash flow used in financing activities	(0.15)	(16.29)
Net (decrease) / increase in cash and cash equivalents during the year	(0.55)	4.19
Cash and cash equivalents at the beginning of the year	4.64	0.45
Cash and cash equivalents at the end of the year	4.09	4.64

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Note 47 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

(I) Name of related parties and nature of related party relationship

(a) Enterprises over which Key Managerial Personnel and/ or their relatives exercise significant influence*

Name of the entity
Saurabh Farms Limited
Shah Buildcon Private Limited
Jalousies India Private Limited
Gravita Impex Private Limited
Agarwal Family Private Trust

*With whom the Group had transactions during the current year or the previous year.

Key Managerial Personnel and their relatives

(b) Key Management Personnel

Name	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole time director
Mr. Rajat Agrawal	Managing director
Mr. Yogesh Malhotra	Wholetime director and Chief executive officer
Mr. Sunil Kansal	Chief financial officer
Mr. Nitin Gupta	Company Secretary
Mr. Dinesh Kumar Govil	Independent director
Mr. Arun Kumar Gupta	Independent director
Mr. Chanchal Chadha Phadnis	Independent director

(c) Relatives of Key managerial personnel*

Name	Relationship
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

* with whom transactions have taken place during the current year or previous year.

(II) Detail of transaction and balance outstanding with related parties

Transactions with related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Remuneration paid to key managerial personnel		
(a) Short-term benefits[I]		
Dr. Mahavir Prasad Agarwal	1.40	1.29
Mr. Rajat Agrawal	2.99	2.53
Mr. Yogesh Malhotra	8.08	4.30
Mr. Sunil Kansal	1.80	1.22
Mr. Nitin Gupta	0.21	0.25
(b) Post-employment benefits[II]		
Dr. Mahavir Prasad Agarwal	0.10	0.09
Mr. Rajat Agrawal	0.21	0.16
Mr. Yogesh Malhotra	0.07	0.05
Mr. Sunil Kansal	0.05	0.02
Mr. Nitin Gupta	0.01	0.01
(ii) Dividend Paid		
(a) Key managerial personnel		
Mr. Rajat Agrawal	12.42	
Mr. Yogesh Malhotra	0.01	
Mr. Sunil Kansal	0.01	
Mr. Nitin Gupta*	0.00	
(b) Enterprises having common key management personnel and/or their relatives		
Agarwal Family Private Trust	7.55	
(iii) Loan received during the year		
(a) Key managerial personnel		
Rajat Agrawal	55.00	
(iv) Loan repaid during the year		
(a) Key managerial personnel		
Rajat Agrawal	55.00	-
(v) Interest Expenses		
(a) Key managerial personnel		
Mr. Rajat Agrawal	1.52	
(vi) Rent expenses		
(a) Key management personnel		
Mr. Rajat Agrawal	0.44	0.42
(b) Relatives of key management personnel		
Mrs. Anchal Agrawal	0.08	0.07
(c) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.49	0.47
Shah Buildcon Private Limited	0.50	0.44
Jalousies India Private Limited	0.28	0.36

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

(I) Short-term benefits includes PAT incentive/ performance incentive paid during the current year. Further, the above short term benefits doesn't include the incentive provision related to the KMP's as the same has been provided for on group level and has not been allocated to individual employees as on balance sheet date.

(II) Post-employment benefits does not include provisions for gratuity of Rs. 2.63 crores (previous year Rs. 2.30 crores) and compensated absences of Rs. 0.11 crores (previous year: Rs. 0.08 crores) based on actuarial valuation report which are not further allocated on respective employees.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

Note 47 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures" (cont'd)
Closing balances with related parties

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Corporate guarantee expense		
(a) Enterprises having common key management personnel and/or their relatives		
Gravita Impex Private Limited	-	0.03
(ii) Security deposits		
(a) Key managerial personnel and their relative		
Anchal Agarwal	0.02	0.02
Rajat Agrawal	0.12	0.12
(b) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.14	0.14
Shah Buildcon Private Limited	0.12	0.12
Recyclers Indian Private Limited	0.11	0.11
(iii) Remuneration payable to Key managerial personnel		
Dr. Mahavir Prasad Agarwal	0.12	0.11
Mr. Rajat Agrawal	0.28	0.25
Mr. Yogesh Malhotra	0.05	0.04
Mr. Sunil Kansal	0.04	0.04
Mr. Nitin Gupta	0.01	0.01

(i) Refer note 17(ii) and (iii) for personal guarantee given by Key managerial personnel.
(ii) Refer note 44 for Employee stock appreciation rights given to KMPs.

Note 48 Disclosure relating to provisions recorded in these standalone financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision for taxes		Advance taxes		(Non-current tax assets)/Provision for taxes (net)	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Opening balance	51.30	20.77	38.67	15.17	12.63	5.60
Additions	38.00	28.58	49.58	23.50	(11.58)	5.08
Utilisations/ Adjustments	(0.24)	1.95	-	-	(0.24)	1.95
Closing Balance	89.06	51.30	88.25	38.67	(0.19)	12.63

Note 49 - In the opinion of Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/ expected liabilities have been made.

Note 50 - The Group conducts business operations in Ghana through its step down subsidiary Recyclers Ghana Limited. During the year ended March 31, 2024, according to the World Economic Outlook report issued by the International Monetary Fund, and based on economic conditions that currently exist in Ghana, the economy of Ghana was classified as hyperinflationary. The cumulative inflation over a three-year period in Ghana is more than 100 percent. Consequently, the management of the Holding Company has considered the impacts of application of Ind AS 29 'Financial Reporting in Hyperinflationary Economies' in the consolidated financial statements for the year ended March 31, 2024.

In accordance with Ind AS 29, the historical cost financial statements of Recyclers Ghana Limited have been restated for the changes in the general purchasing power of the functional currency and consequently are stated in terms of the measuring unit current at the year end. For the purpose of restatement, the management has applied the Consumer Price Index ('CPI') published by Ghana Statistical Service. The CPI index (at) was 156.60 and 205.50 on March 31, 2023 and March 31, 2024 respectively. The gain on net monetary position calculated in accordance with Ind AS 29 amounted to Rs. 0.80 crores which has been included in 'Foreign currency translation reserve' under other comprehensive income.

The impact of adjustments of the opening comparative numbers recognised directly in other equity under the head 'Foreign currency translation reserve' in other comprehensive income' as a translation adjustment amounts to Rs. 44.39 crores.

Note 51- As per transfer pricing legislation under section 92 - 92F of the Income tax Act, 1961, the Group is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Group has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these consolidated financial statements.

Note 52 - Other statutory information
(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Group has not been declared wilful defaulter by any bank or financial institutions or other lenders.

(iii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Group has not traded or invested in crypto currency or virtual currency during the current and the preceding financial year.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GRAVITA INDIA LIMITED

GRAVITA

Note 62 - Other statutory information (cont'd)

(x) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Holding company and its subsidiaries, in respect of financial year commencing on 1 April 2023, have used an accounting software for maintaining books of accounts. The Accounting software has the feature of recording audit trail (edit log) and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled by the Holding company at the database level for the said accounting software to log any direct data changes.

Further, the Holding company has used an accounting software for maintenance of employee records which is operated by a third-party software service provider. The audit trail (edit log) was enabled and operated throughout the year at application level for such software. The Holding company has obtained the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report') issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information) for the year ended 31 March 2024. However, the service auditor has not specifically covered the existence of audit trail for any direct changes at database level for such software.

Note 53 - The figures of the previous year have been regrouped/ reclassed to make them comparable with those of current year wherever considered necessary. The impact of such reclassification/regrouping is not material to the consolidated financial statements.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: April 30, 2024
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No. FCS 9984

Date: April 30, 2024
Place: Jaipur

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

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Outer Circle,
New Delhi - 110 001
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Independent Auditor's Report

To the Members of Gravita India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its associates, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and an associate the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer note 24 to the Consolidated financial statements. The Revenues of the Group consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts. Revenue recognition process also involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of revenue recognized. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue. Considering the materiality of amounts involved and significant judgements involved, the same has been considered as a key audit matter for the current year's audit.	**Our audit work included, but was not limited to, the following procedures:** a) Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115 – Revenue from contracts with customers; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue; c) Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, customer analysis, etc.; d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents; e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards; f) Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period; g) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; h) Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and i) Ensured the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 115.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern; and

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

15. We did not audit the financial statements of 23 subsidiaries, whose financial statements reflects total assets of ₹ 708.37 crores and net assets of ₹ 317.05 crores as at 31 March 2023, total revenues of ₹ 1,549.93 crores and net cash inflows amounting to ₹ 0.48 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 0.00 crores for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies. Further, we also report that the provisions of section 197 read with Schedule V to the Act are not applicable to an associate company incorporated in India, since such company is not a public company as defined under section 2(71) of the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, and an associate, incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies and its associate companies are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate as detailed in Note 34 to the consolidated financial statements;

ii. The Holding Company, its subsidiary companies and an associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by subsidiary companies and an associate company covered under the Act, during the year ended 31 March 2023;

iv.

a. The respective managements of the Holding Company and its subsidiary companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, as disclosed in note 52(viii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 52 (ix) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. As stated in note 35 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 23507000BGYERE6533

Place: Jaipur
Date: 01 May 2023

Annexure I

Subsidiaries (Including of partnership firms and trust)

1. Gravita Infotech Limited
2. Gravita Ghana Limited
3. Gravita Mozambique LDA
4. Noble Build Estate Private Limited
5. Gravita Global Pte Limited
6. Navam Lanka Limited
7. Gravita Netherlands BV
8. Gravita Senegal S.A.U
9. Gravita Nicaragua S.A.
10. Gravita Jamaica Limited
11. Gravita Ventures Limited
12. Gravita USA Inc.
13. Gravita Mali SA
14. Recyclers Gravita Costa Rica SA
15. Gravita Tanzania Limited
16. Recyclers Ghana Limited
17. Mozambique Recyclers LDA
18. M/s Gravita Metal Inc
19. M/s Gravita Infotech
20. M/s Recycling Infotech LLP
21. Gravita Employee Welfare Trust
22. Gravita Togo SAU and
23. Green Recyclers Mozambique LDA (w.e.f. 29th November 2022)

Associate

1. Pearl Landcon Private Limited (till 12 August 2022)

Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2023

Independent Auditor's report on the internal financial controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company's, its subsidiary companies and its associate company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. The audit of internal financial controls with reference to financial statements of an associate company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial

Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2023 (Cont'd)

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company's and its subsidiary companies, which are companies covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matters

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 1.73 crores and net assets of ₹ 1.68 crores as at 31 March 2023, total revenues of ₹ (1.69) crores and net cash outflow amounting to ₹ (1.98) crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 23507000BGYERE6533

Place: Jaipur
Date: 1 May 2023

Gravita India Limited
Consolidated Balance Sheet as at March 31, 2023
(All amounts in Rs. crores, unless otherwise stated)
CIN:L29308RJ1992PLC006870

GRAVITA

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
Non current assets			
Property, plant and equipment	2	266.44	183.65
Capital work-in-progress	3	45.50	42.49
Right-of-use assets	4	6.75	7.34
Other intangible assets	5	0.13	0.27
Investment in associate*	6	-	0.00
Financial assets			
- Investments*	6	0.00	0.00
Other financial assets	8	8.23	9.56
Deferred tax assets (net)	21	6.40	-
Non-current tax assets (net)	9(a)	0.36	1.65
Other non-current assets	10	7.89	7.16
Total non-current assets		341.70	252.12
Current assets			
Inventories	11	596.47	513.45
Financial assets			
- Investments	6	1.11	
- Trade receivables	12	137.02	109.65
Cash and cash equivalents	13	30.37	23.42
- Bank balances other than cash and cash equivalents	14	7.75	9.10
- Loans	7	0.50	1.84
- Other financial assets	8	47.05	58.16
Other current assets	10	43.23	29.76
Total current assets		863.50	745.38
TOTAL ASSETS		1,205.20	997.50
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	13.81	13.81
Other equity	16	575.12	373.04
Equity attributable to owners of the Holding Company		588.93	386.85
Non-controlling interests		12.77	14.00
Total equity		601.70	400.85
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	90.39	109.53
- Lease liabilities	18	2.53	3.15
- Other financial liabilities	19	11.63	4.73
Provisions	20	6.53	9.08
Deferred tax liabilities (net)	21	0.30	1.50
Other non-current liabilities	22	0.14	0.16
Total non-current liabilities		111.52	128.15
Current liabilities			
Financial liabilities			
- Borrowings	17	254.07	278.29
- Lease liabilities	18	0.73	0.55
- Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises; and		2.72	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		86.50	31.61
- Other financial liabilities	19	115.38	131.13
Other current liabilities	22	18.87	15.64
Provisions	20	0.72	0.92
Current tax liabilities (net)	9(b)	12.99	9.28
Total current liabilities		491.98	468.50
Total liabilities		603.50	596.65
TOTAL EQUITY AND LIABILITIES		1,205.20	997.50

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as '0.00'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284
Date : May 01, 2023
Place: Rome, Italy

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393
Date : May 01, 2023
Place: Jaipur

Arun Kumar Gupta
Independent Director
DIN: 02749451
Date : May 01, 2023
Place: Jaipur

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 01, 2023
Place: Jaipur

Date: May 01, 2023
Place: Jaipur

Date : May 01, 2023
Place: Jaipur

Gravita India Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in Rs. crores, unless otherwise stated)
CIN:L29308RJ1992PLC006870

GRAVITA

	Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Income			
	Revenue from operations	24	2,800.60	2,215.87
	Other income	25	93.08	7.84
	Total income (I)		2,893.68	2,223.71
II	Expenses			
	Cost of materials consumed	26	2,295.42	1,753.92
	Purchases of stock-in-trade	27	20.77	44.20
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(34.17)	(54.59)
	Employee benefits expense	29	133.56	102.75
	Finance costs	30	39.14	33.55
	Depreciation and amortisation expense	31	23.96	20.56
	Other expenses	32	187.41	158.68
	Total expenses (II)		2,666.09	2,059.07
III	Profit before tax and share of (loss) in associate (I - II)		227.59	164.64
IV	Share of (loss) of associate*		(0.00)	(0.00)
V	Profit before tax (III + IV)		227.59	164.64
VI	Tax expense	33		
	- Current tax (including earlier years)		30.53	16.18
	- Deferred tax (credit)/ charge		(7.03)	0.01
	Total tax expense		23.50	16.19
VII	Profit for the year (V - VI)		204.09	148.45
VIII	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		(0.80)	0.05
	Income tax on above items		0.28	(0.02)
	Items that will be reclassified to profit or loss			
	Foreign currency translation reserve		0.18	(2.38)
	Change in fair value of hedging instruments*		0.00	(0.31)
	Income tax on above items*		(0.00)	0.94
	Total other comprehensive (loss)/ income, net of tax		(0.34)	(1.72)
IX	Total comprehensive income for the year (VII + VIII)		203.75	146.73
	Profit for the year attributable to			
	- Owners of the Holding Company		201.10	139.39
	- Non-controlling interests		2.99	9.06
	Other comprehensive income for the year attributable to			
	- Owners of the Holding Company		(0.44)	2.36
	- Non-controlling interests		0.10	(4.08)
	Total comprehensive income for the year attributable to			
	- Owners of the Holding Company		200.66	141.75
	- Non-controlling interests		3.09	4.98
X	Earnings per share	36		
	Basic (Rs.)		29.72	20.60
	Diluted (Rs.)		29.72	20.60

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: May 01, 2023
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284
Date: May 01, 2023
Place: Rome, Italy

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393
Date : May 01, 2023
Place: Jaipur

Arun Kumar Gupta
Independent Director
DIN: 02749451
Date : May 01, 2023
Place: Jaipur

Sunil Kansal
Chief Financial Officer
Date: May 01, 2023
Place: Jaipur

Nitin Gupta
Company Secretary
Membership No: FCS 9984
Date : May 01, 2023
Place: Jaipur

GRAVITA INDIA LIMITED

Gravita India Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Rs. crores, unless otherwise stated)
CIN:L29308RJ1992PLC006870

GRAVITA

(a) Equity share capital (refer note 15)

Particulars	Balance as at April 1, 2021	Changes during the year	Balance as at March 31, 2022	Changes during the year	Balance as at March 31, 2023
Equity share capital	13.81	-	13.81	-	13.81

(b) Other equity (refer note 16)

Particulars	Attributable to owners of the holding company								Non -controlling interests	Total
	Reserves and surplus									
	Securities premium	General reserve	Retained earnings	Cash flow hedging reserve	Legal reserve	Treasury shares	Foreign currency translation reserve	Total		
Balance as at April 1, 2021	42.70	5.18	210.17	(0.19)	0.63	(7.84)	4.47	255.12	9.02	264.14
Profit for the year	-	-	139.39	-	-	-	-	139.39	9.06	148.45
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	0.03	-	-	-	-	0.03	-	0.03
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	(0.20)	-	-	-	(0.20)	-	(0.20)
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	2.53	2.53	(4.08)	(1.55)
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	(23.83)	-	-	-	-	(23.83)	-	(23.83)
Balance as at March 31, 2022	42.70	5.18	325.76	(0.39)	0.63	(7.84)	7.00	373.04	14.00	387.04
Profit for the year	-	-	201.10	-	-	-	-	201.10	2.99	204.09
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	(0.52)	-	-	-	-	(0.52)	-	(0.52)
Fair value changes on derivatives designated as cash flow hedge, net of tax*	-	-	-	0.00	-	-	-	0.00	-	0.00
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	0.08	0.08	0.10	0.18
Others	-	-	-	-	-	-	1.42	1.42	-	1.42
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	-	-	-	-	-	-	(4.32)	(4.32)
Balance as at March 31, 2023	42.70	5.18	526.34	(0.39)	0.63	(7.84)	8.50	575.12	12.77	587.89

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: May 01 2023
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

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Managing Director
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Date: May 01, 2023
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Chief Financial Officer
Date: May 01, 2023
Place: Jaipur

Nitin Gupta
Company Secretary
Membership No: FCS 9984
Date: May 01, 2023
Place: Jaipur

Gravita India Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2023
(All amounts in Rs. crores, unless otherwise stated)
CIN:L29308RJ1992PLC006870

GRAVITA

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	227.59	164.64
Adjustments for:		
Depreciation and amortisation expense	23.96	20.56
Loss on disposal/discard of property, plant and equipment	0.06	2.13
Share of loss of associates*	0.00	0.00
Finance cost	39.14	33.55
Incentive income	(10.90)	(0.04)
Interest income on bank deposits	(0.38)	(0.40)
Income from mutual funds carried at fair value through profit and loss	(0.01)	-
Interest income on others	(0.36)	(0.48)
Miscellaneous income (insurance claim)	(1.62)	-
Liabilities / provisions no longer required written back	(0.38)	(0.81)
Allowance for expected credit loss on financial assets (including write off)	9.60	2.56
Unrealised loss on financial assets measured at fair value through profit and loss	0.26	4.70
Unrealised loss on restatement of financial assets and financial liabilities*	1.12	0.00
Employee stock appreciation rights expense	6.90	4.73
Loss by fire	1.66	-
Net loss on foreign currency translation	4.16	-
Loss /(gain) on sale of Investment	4.60	(0.43)
Investment in associate written-off	0.01	-
Operating profit before working capital changes	305.31	230.71
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(87.52)	(155.75)
Trade receivables	(39.71)	(51.36)
Other current and non-current assets	6.86	13.33
Other current and non-current financial assets	(11.77)	(18.11)
Adjustments for changes in operating liabilities:		
Trade payables	35.85	(38.96)
Other current and non-current financial liabilities	3.58	37.65
Other current and non-current liabilities	14.10	1.87
Provisions	(3.54)	5.10
Cash generated from operations	223.16	24.48
Income taxes paid (net of refund)	(23.50)	(14.87)
Net cash flow generated from operating activities (A)	199.66	9.61
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(107.76)	(72.80)
Interest received	0.74	0.88
Movement in bank balances not considered as cash and cash equivalents (net)	1.36	(0.56)
(Purchase)/proceeds from sale of investments	(1.10)	0.43
Proceeds from sale of property, plant and equipment	1.41	2.60
Net cash (used in) investing activities (B)	(105.35)	(69.45)

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GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Particulars	Current year ended March 31, 2023	Previous year ended March 31, 2022
C. Cash flow from financing activities		
Proceeds from non-current borrowings	20.98	103.67
Repayment of non-current borrowings	(40.11)	(44.78)
(Repayment) of/ proceed from current borrowings (net)	(24.21)	72.65
Payment of lease liabilities	(0.83)	(2.19)
Finance cost paid	(38.87)	(33.57)
Dividends paid	(4.32)	(23.84)
Net cash (used) in /generated from financing activities (C)	**(87.37)**	**71.94**
Net increase in cash and cash equivalents (A+B+C)	**6.95**	**12.10**
Cash and cash equivalents at the beginning of the year	23.42	11.32
Cash and cash equivalents at the end of the year (refer note 13)	**30.37**	**23.42**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The above Consolidated Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash flow'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284
Date: May 01, 2023
Place: Rome, Italy

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Chief Financial Officer

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Company Secretary
Membership No: FCS 9984

Date: May 01, 2023
Place: Jaipur

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Date: May 01, 2023
Place: Jaipur

Note 1 - Corporate information, statement of compliance with Ind AS, basis of preparation and summary of significant accounting policies

(A) Corporate Information

Gravita India Limited (the 'Holding Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956 applicable in India. The Holding Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Holding Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Gujarat, Chittoor (Andhra Pradesh), Kathua (Jammu and Kashmir), Mirigama (Sri Lanka), Mozambique, Tanzania, Ghana, Togo and Senegal (East Africa) etc. Gravita India Limited together with its subsidiaries and an associate is hereinafter referred to as "Group".

The principal activities of the Group are - Lead processing, aluminium processing, trade (Lead products and aluminium scrap) and dealing in Turn-key lead recycling projects. The Holding Company carries out smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. Further, Holding Company has also entered in the PET product manufacturing.

Amount in the consolidated financial statements are presented in Rs. Crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to round off are expressed as zero. The consolidated financial statements are presented in Indian Rupees (Rs.) which is also functional currency of the Holding Company.

These consolidated financial statements for the year ended March 31, 2023 are approved and adopted by the Board of Directors in their meeting held on May 01, 2023. The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

(B) Statement of compliance with Ind AS and basis of preparation

These consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, relevant amendment rules issued there after and other relevant provisions of the Act, as amended from time to time and guidelines issued by Securities and Exchange Board of India (SEBI) to the extent applicable.

The consolidated financial statements have been prepared on accrual and going concern basis. The Group has uniformly applied the accounting policies during the period presented in the consolidated financial statements.

The consolidated financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations; and
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

(C) Basis of consolidation

Subsidiaries

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 to direct the relevant activities of 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. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2023.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associate are eliminated to the extent of the Group's interest in these entities.

(D) Significant accounting policies

I. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

II. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition or construction. Following initial recognition, property plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method computed on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Group:

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	4 - 20 years
Furniture and fixtures	4 - 10 years
Vehicles	3 - 10 years
Computer and accessories	2 - 10 years
Office equipment	4 - 10 years

Freehold land is measured at cost and is not depreciated.

Property, plant and equipment costing upto Rs. 5,000 each are fully depreciated in the year of purchase. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition
An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income statement when the asset is derecognised.

Capital work-in-progress
Expenditure incurred during the period of construction, including all direct and Indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

III. Intangible assets

Recognition and initial measurement
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation and useful lives)
All finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the Industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	3 - 5 years

De-recognition
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

IV. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

V. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

VI. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost is as follows:

Nature of inventories	Method of valuation
Raw materials	Moving weighted average method
Stores and spares and consumables	Moving weighted average method
Finished goods and work-in-progress	Raw material cost on moving weighted average method and includes conversion and other costs incurred in bringing the inventories to their present value and locations
Traded goods	Moving weighted average method
By-products/ scrap	Estimated net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

Stock in transit is valued at lower of cost and net realisable value.

VII. Foreign Currency transactions and translations

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rs.) and are rounded to two decimal places of crores, which is also the Holding Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Translation of foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date and the equity is translated at historical rate. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the Statement of Profit or Loss and are recognized as part of the gain or loss on disposal.

VIII. Leases

The group considers whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is the lessee

The Group's lease asset classes primarily consist of leases for land, buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
(iii) the Group has the right to direct the use of the asset.

The Group at the commencement of the lease contract recognizes a right-of-use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any. The right-of-use asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

IX. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

X. **Revenue Recognition**

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Sale of products (including scrap sales and service income):

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts are recognised in Statement of Profit and Loss on completion of performance obligation.

Revenue is measured at fair value of consideration received or receivables and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year. Sales, as disclosed, are exclusive of applicable tax.
The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Group's future performance. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Job Work Income:

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Export Incentive:

Income from export incentives such as duty drawback, remission of duties and taxes on export products (RoDTEP) are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Dividend Income:

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

XI. **Operating expenses**

Operating expenses are recognised in statement of profit and loss upon utilisation of the service or as incurred.

XII. **Equity, reserves and dividend payment**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Holding Company are recorded separately within equity.

XIII. **Qualified Institutional Placement related transaction costs**

The expenses pertaining to qualified institutional placement ("QIP") includes expenses pertaining to issue of equity shares in the Holding Company, has been accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares has been deferred until successful consummation of QIP upon which it shall be deducted from equity;

- Incremental costs that are directly attributable to issuing new shares, where issue has been abandoned has been recorded as an expense in the statement of profit and loss; and
- Incremental costs that are not directly attributable to issuing new shares, has been recorded as an expense in the statement of profit and loss as and when incurred.

XIV. Financial Instruments

Initial measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price in accordance with Ind AS 115.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

a. Financial assets at amortised cost – a financial instrument is measured at amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts. If any etc.

b. Financial assets at fair value

- Derivative assets - All derivative assets are measured at fair value through profit and loss (FVTPL).

- **Investments in equity instruments (other than subsidiaries/ associates)**- All equity Investments in scope of Ind AS 109 are measured at fair value. Equity Instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss account, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss account.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

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

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

Offsetting of financial instruments

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

XV. Hedge accounting

The Group designates non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable forecasted transactions and accordingly, applies cash flow hedge accounting for such relationships. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity until the forecast transaction occurs or the foreign currency firm commitment is met.

XVI. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the Expected Credit Losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on Group's historical collection experience for customers and forecast of macro-economic factors.

The Group defines default as an event when the financial asset is past due for more than 180 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

The Group writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

XVII. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

XVIII. Post-employment, long term and short term employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined Contribution plan

The Group makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and are not reclassified to profit or loss.

Gratuity and Pension

In accordance with Indian laws, the Holding Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Short term employee benefit

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

XIX. Share based payments

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered, under "Gravita Stock Appreciation Rights Scheme 2017".

Cash settled share-based payments

The Group has formed Gravita Employee Welfare Trust, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust buy shares of the Holding Company from the market, for granting them to its employees and are treated as treasury shares. Own equity instruments ("treasury shares") which are reacquired through Gravita Employee Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instrument.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

XX. **Provisions, contingent assets and contingent liabilities**

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

XXI. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

XXII. Taxes

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Group will pay normal income tax during the specified period.

XXIII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

XXIV. Dividend payment

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the Board of directors.

XXV. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the Board of Directors which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:
Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.
Unallocated items:
Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue, expenses, assets and liabilities.

Segment accounting policies
The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

XXVI. Government grants
Income includes export and other recurring and non-recurring incentives from Government (referred as "incentives'). Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. The Group is entitled to subsidies from government in respect of manufacturing units located in specified regions.

Government grants are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as income in the period in which the grant is received. Government grant in form of subsidy for unit at Chittoor, Andhra Pradesh is awarded as incentive to the Holding Company, and is recognised as income in the period in which the grant is accrued.

XXVII. Supply chain financing arrangement
Supply chain financing arrangement includes amount payable to Micro, Small and Medium Enterprise vendors through TReDS portal for the financing facility availed by the Holding Company. Under these facilities, the third party shall pay the amount on behalf of the Holding Company and the Holding Company shall pay the third party on the due date along with interest. As the facility provided by the third party is within the credit period provided by the customer, the outstanding liability has been disclosed under 'other financial liabilities'.

XXVIII. Use of estimates and judgement
The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant

effect on the amounts recognised in the consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. **Useful lives of depreciable/ amortisable assets:** Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

b. **Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. **Allowance for expected credit loss:** The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

d. **Allowance for obsolete and slow-moving inventory:** The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the consolidated financial statements.

e. **Contingent liabilities:** The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated.

f. Provisions: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

g. Leases: Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

h. Income Taxes: Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 33). The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

i. Defined benefit obligations (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

j. Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to consolidated financial statements.

k. Recoverability of advances / receivables
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

XXIX. Recent accounting pronouncements:

(a) Application of new and revised Indian Accounting Standards (Ind AS)
All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorised, have been considered in preparing these consolidated financial statements.

(b) Recent accounting pronouncements

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs ("MCA") vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities.

The amendments mentioned above are extensive and the Group will evaluate the same to give effect to them as required by law.

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Note 2 - Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
As at April 1, 2021	11.60	75.88	99.28	6.61	1.38	2.87	13.57	211.19
Additions during the year	4.88	12.23	21.49	2.05	0.55	0.17	3.94	45.31
Disposals/ adjustments	-	(0.54)	(2.51)	(0.06)	(0.02)	-	(0.48)	(3.61)
Foreign currency translation differences	(0.01)	(1.08)	(2.28)	(0.12)	(0.01)	(0.02)	(0.23)	(3.75)
As at March 31, 2022	16.47	86.49	115.98	8.48	1.90	3.02	16.80	249.14
Additions during the year	1.17	43.00	40.51	2.23	0.89	0.57	15.27	103.64
Disposals/ adjustments	-	(2.31)	(3.75)	(0.29)	(0.05)	(0.04)	(0.40)	(6.83)
Foreign currency translation differences	0.12	(0.12)	7.34	(0.15)	(0.02)	(0.04)	(0.06)	7.07
As at March 31, 2023	17.76	127.06	160.09	10.27	2.72	3.51	31.61	353.02
Accumulated depreciation								
As at April 1, 2021	-	8.98	30.48	2.99	1.04	0.97	5.31	49.77
Charge for the year	-	3.06	11.59	1.63	0.17	0.32	1.82	18.59
Disposals/ adjustments	-	(0.02)	(0.86)	(0.04)	(0.01)	-	(0.17)	(1.10)
Foreign currency translation differences	-	(0.26)	(1.32)	(0.12)	-	(0.02)	(0.05)	(1.77)
As at March 31, 2022	-	11.76	39.89	4.46	1.20	1.27	6.91	65.49
Charge for the year	-	3.93	15.23	1.11	0.28	0.31	2.27	23.12
Disposals/ adjustments	-	(0.14)	(1.53)	(0.08)	(0.05)	(0.02)	(0.34)	(2.15)
Foreign currency translation differences*	0.00	0.02	(0.10)	0.09	0.01	0.01	0.09	0.12
As at March 31, 2023	0.00	15.57	53.49	5.58	1.44	1.58	8.93	86.58
Net carrying value								
As at March 31, 2022	16.47	74.73	76.09	4.02	0.70	1.75	9.89	183.65
As at March 31, 2023	17.76	111.49	106.60	4.69	1.28	1.93	22.68	266.44

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(ii) The Group has not capitalised any borrowing costs in the current and previous year.
(iii) Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3 - Capital work-in-progress

Particulars	Balance as at April 1, 2021	Movement during the year	Balance as at March 31, 2022	Movement during the year	Balance as at March 31, 2023
Capital work-in-progress	13.49	29.00	42.49	3.01	45.50

(i) Ageing schedule of capital work-in-progess is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
Project in Progress	45.50	-	-	-	45.50
Project temporarily suspended	-	-	-	-	-
Total	45.50	-	-	-	45.50
As at 31 March 2022					
Project In Progress	42.49	-	-	-	42.49
Project temporarily suspended	-	-	-	-	-
Total	42.49	-	-	-	42.49

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(iii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts in Rs. crores, unless otherwise stated)

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Note 4 - Right-of-use assets

Particulars	Land	Buildings	Plant and machinery	Total
Gross carrying amount				
As at April 1, 2021	9.28	4.23	1.82	15.33
Additions during the year*	0.00	1.03	-	1.04
Adjustments#	(1.82)	-	-	(1.82)
Foreign currency translation differences	(0.16)	(0.62)	-	(0.78)
As at March 31, 2022	7.30	4.64	1.82	13.77
Additions during the year*	0.00	-	0.10	0.10
Disposals/ adjustments	-	(0.05)	0.06	0.01
Foreign currency translation differences*	0.00	0.00	0.00	0.00
As at March 31, 2023	7.30	4.59	1.98	13.88
Accumulated depreciation				
As at April 1, 2021	0.66	3.02	1.08	4.76
Charge for the year	0.28	0.97	0.53	1.78
Foreign currency translation differences	(0.01)	(0.10)	-	(0.11)
As at March 31, 2022	0.93	3.89	1.61	6.43
Charge for the year	0.29	0.15	0.26	0.70
Disposals/ adjustments*	-	(0.00)	0.00	0.00
Foreign currency translation differences*	(0.00)	(0.00)	(0.00)	(0.00)
As at March 31, 2023	1.22	4.04	1.87	7.13
Net carrying value				
As at March 31, 2022	6.37	0.75	0.21	7.34
As at March 31, 2023	6.08	0.55	0.11	6.75

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

includes reclassification from land to plant and machinery.

(i) Refer note 17 for details of leasehold land situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur, mortgaged as security with banks/ financial institutions and land at Plot no. 27-A, Mirigama export processing zone, Merigama dist. Gampaha Sri Lanka.

(ii) Also, refer note 18 for detailed disclosures related to Ind AS 116 'Leases'.

Note 5 - Other intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at April 1, 2021	2.03	2.03
Additions during the year	0.07	0.07
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	2.10	2.10
Additions during the year	0.07	0.07
Foreign currency translation differences	(0.07)	(0.07)
As at March 31, 2023	2.10	2.10
Accumulated amortisation		
As at April 1, 2021	1.64	1.64
Charge for the year	0.19	0.19
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	1.83	1.83
Charge for the year	0.14	0.14
Foreign currency translation differences*	(0.00)	(0.00)
As at March 31, 2023	1.97	1.97
Net carrying value		
As at March 31, 2022	0.27	0.27
As at March 31, 2023	0.13	0.13

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* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(All amounts in Rs. crores, unless otherwise stated)

Note 6 - Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current investment		
Investment in equity shares of associate (unquoted) (Carried at cost)		
Pearl Landcon Private Limited*	-	0.00
Share of face value of Rs. 10 each (previous year: Rs.10 each)		
Profit share from associate accounted through equity method*	-	0.00
Total (a)	-	0.00
Investment in government securities (unquoted)		
(carried at amortised cost)		
National saving certificate*	0.00	0.00
Total (b)	0.00	0.00
Total non-current investments (C) = (a + b)	0.00	0.00
Aggregate amount of unquoted investments*	0.00	0.00
Aggregate amount of impairment in value of investments	-	-
Current investments		
Investments carried at fair value through profit and loss (quoted)		
Investment in Mutual Fund	1.11	-
Total current investments	1.11	-
Aggregate amount of quoted investments and book value thereof	1.10	-
Aggregate amount of quoted investments and market value thereof	1.11	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(ii) Pearl Landcon Private Limited, an associate of the Holding Company has been voluntarily wound up and cease to exist with effect from August 12, 2022

Note 7 - Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Current (unsecured, considered good)		
Loans receivable (refer note 34 and 45)(i)		
- Considered good	0.50	1.84
- Credit impaired - Loans which have significant increase in credit risk	-	-
Less: Loss allowance	-	-
Total	0.50	1.84

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on current loans.
(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 8 - Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deposits with bank (with remaining maturity more than 12 months)[i]	0.10	0.34
Security deposits-(unsecured, considered good)	2.73	2.76
Duty paid under protest	0.59	0.32
Others (amount deposited with Government authorities)	4.81	6.14
Total	8.23	9.56
Current-(unsecured, considered good)		
Derivatives designated at fair value through profit or loss		
- For forward contracts[iv]	4.41	1.32
Incentive receivable from Government	15.12	22.03
Security deposits	0.89	0.90
Other recoverable	1.26	3.11
Balance with government authorities	25.37	30.80
Total	47.05	58.16

(i) Represents lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.
(ii) Above mentioned other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.
(iii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.
(iv) Details of balance against derivative contracts:

Particulars	As at March 31, 2023	As at March 31, 2022
Margin money	0.53	0.62
Effect of mark-to-market on open contracts	3.88	0.70
Total	4.41	1.32

(v) Incentive receivable from government in the Holding Company includes duty recoverable under Remission of Duties or Taxes on Export Products ('RODTEP') scheme, Duty Drawback and State Goods and Service Tax ('SGST') scheme specified under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Also, refer note 24 (ii), (iii) and (iv).

Note 9(a) Tax assets

Non-current tax assets	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions)	0.36	1.65
Total	0.36	1.65

Note 9(b) Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax (net of advance tax) (refer note 48)	12.99	9.28
Total	12.99	9.28

Note 10 - Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current (Unsecured, considered good)		
Capital advances	7.46	7.14
Prepaid expenses	0.43	0.02
Total	7.89	7.16
Current (Unsecured, considered good)		
Advances to vendors	39.83	26.75
Prepaid expenses	3.40	3.01
Total	43.23	29.76

(i) Above mentioned Other current assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

Note 11 - Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials [including material-in-tranist: Rs. 117.02 crores (previous year: Rs. 111.85 crores)]	289.05	250.24
Work-in-progress	150.33	112.37
Finished goods (other than those acquired for trading) [including finished goods-in-tranist: Rs. 57.13 crores (previous year: Rs. 47.37 crores)]	120.16	119.87
Stock-in-trade	0.20	4.28
Stores and spares	36.73	26.69
Total	596.47	513.45

(i) Above mentioned inventories have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.
(ii) The management of the Holding Company has conducted physical verification of inventory at reasonable intervals during the year except for inventory in transit. No material discrepancies have been noted by the management.

Note 12 - Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Trade receivables - considered good	137.02	109.65
Trade receivables - credit impaired	2.76	3.32
Less: allowance for expected credit losses	(2.76)	(3.32)
Total	137.02	109.65

Trade Receivables Ageing Schedule

As at March 31, 2023	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	84.65	46.65	5.39	0.33	-	-	137.02
(ii) Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	0.43			0.39	0.82
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	-	-	1.94	1.94

Trade Receivables Ageing Schedule

As at March 31, 2022	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	73.38	34.76	0.51	0.77	0.23	-	109.65
(ii) Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade receivables - Credit impaired	-	-	0.31	0.77	0.30	-	1.38
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	
(v) Disputed trade receivables- which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	-	0.40	1.54	1.94

(i) Above mentioned trade receivables have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.
(ii) Refer note 41 for disclosure of fair values in respect of financial assets measured at amortised cost.
(iii) Refer note 42 for details of expected credit loss for trade receivables under simplified approach.
(iv) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.
(v) There are no debts due by directors or other officers of the Holding Company.

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Note 13 - Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- In current accounts	18.19	18.87
Cash on hand	1.31	0.96
Cheques on hand	10.87	3.59
Total	30.37	23.42

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on cash and cash equivalents

Note 14 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks in current accounts		
Unclaimed dividend account(i)	0.05	0.06
Balance held as margin money against borrowings (with original maturity more than 3 months but remaining maturity less than 12 months)(ii)	7.70	5.59
Deposits with banks (with original maturity more than 3 months but remaining maturity less than 12 months)	-	3.45
Total	7.75	9.10

(i) These balances are not available for use by the Holding Company and corresponding balance is disclosed as unclaimed dividend in note 19. Further, these are not due for deposit in the Investor Education and Protection Fund (IEPF).
(ii) Includes interest accrued but not due amounting to Rs. 0.01 crores (Previous year: Rs. 0.04 crores)
(iii) Refer note 17 for hypothecation as securities with bank/ financial institutions on bank balances other than cash and cash equivalents.
(iv) Refer note 34 for fixed deposits given as bank guarantees.

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Note 15 Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 2 each	8,50,00,000	17.00	8,50,00,000	17.00
	8,50,00,000	17.00	7,50,00,000	15.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 2 each	6,90,37,914	13.81	6,90,37,914	13.81
Total	6,90,37,914	13.81	6,90,37,914	13.81

(a) Changes in equity share capital during the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance as at the beginning of the year	6,90,37,914	13.81	6,90,37,914	13.81
Closing at the end of the year	6,90,37,914	13.81	6,90,37,914	13.81

(b) Terms/ rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a face value of Rs. 2 per share. Each equity shareholder is entitled to one vote per share held. The Holding Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholder holding more than 5 percent shares*

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights				
Mr. Rajat Agrawal	3,30,49,789	47.87%	3,30,49,789	47.87%
Agrawal Family Private Trust	1,73,48,025	25.13%	1,73,48,025	25.13%

* As per records of the Holding Company, including its register of members.

(d) During the five years immediately preceding March 31, 2023, the Holding Company has neither allotted any bonus shares nor have any shares been bought back.

(e) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(f) Dividend

The Board of Directors of the Holding Comapny, in its meeting held on May 01, 2023, had recommended a final dividend of Rs 4.35 per equity share of Rs. 2 each amounting to Rs. 30.03 crores for the financial year ended March 31, 2023. This is subject to approval of the members at the ensuing Annual General Meeting.

(g) Details of equity shares held by Promoters in the Holding Company as at the end of year :

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Rajat Agrawal*	3,30,49,789	47.87%	-	3,30,49,789	47.87%	0.00%
Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	1,73,48,025	25.13%	-	1,73,48,025	25.13%	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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(All amounts in Rs. crores, unless otherwise stated)

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Note 16 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and surplus		
Securities premium	42.70	42.70
General reserve	5.18	5.18
Retained earnings	526.34	325.76
Cash flow hedging reserve	(0.39)	(0.39)
Legal reserve	0.63	0.63
Treasury shares	(7.84)	(7.84)
Foreign currency translation reserve	8.50	7.00
Total	575.12	373.04

Description of nature and purpose of each reserve

Security premium
The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

General reserve
The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings
Retained earnings represents surplus in Statement of Profit and Loss.

Cash flow hedging reserve
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Foreign currency translation reserve
The Group recognises exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in foreign currency translation reserve in other equity. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Statement of Profit and Loss on disposal of foreign operation.

Treasury shares
Treasury shares represent Holding Company's own equity shares held by the Gravita Employee Welfare Trust [a trust set up for administration of Stock Appreciation Rights Scheme 2017 of the Holding Company].

Legal reserve
Gravita Mozambique LDA (step-down subsidiary of the Holding Company) has created a legal reserve of 5% of the profits of the accounting year. The reserve balance at any time shall not exceed 20% of the share capital of Gravita Mozambique LDA.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 17 - Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings		
Secured		
Term loans		
- from banks	70.56	85.71
- from institutions other than banks	40.03	51.94
Vehicle loans	13.73	4.54
	124.32	142.19
Less: Current maturities of non-current borrowings disclosed under current borrowings	(33.93)	(32.66)
Total	90.39	109.53
Current borrowings		
Secured loans - from banks		
Cash credit / overdraft	103.47	96.58
Packing credit	1.62	54.50
Buyers credit	-	7.13
Working capital demand loan	114.63	62.82
Current maturities of non-current borrowings	33.93	32.66
Interest accrued on non-current borrowings	0.42	0.40
Unsecured - from other parties		
Short term facility	-	24.20
Total	254.07	278.29

(i) There is no default in repayment of principal repayment or interest thereon.

(ii) Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:

	Particulars	Rate	As at 31 March 2023	As at 31 March 2022
1)	Vehicle loans			
Multiple banks	The loans are repayable in equal monthly instalments over a period of 31 to 84 months.	6.55% to 8.40% p.a (6.55% to 7.55% p.a)	13.73	4.54
	Security			
	Hypothecation of vehicles			
2)	Term loans from bank			
ICICI Bank Limited- Term Loan	The loan is repayable in 16 quarterly instalments commencing from February 2020 and ending in November 2023. However the said loan was fully repaid in September, 2022			
	Security			
	Exclusive charge on Industrial Land, Building and Other Assets located at Plot No. PA-011-006,SEZ, Village Kalwara, Tehsil Sanganer, Jaipur of the Holding Company. Personal guarantee of Managing Director Mr. Rajat Agrawal.	4.47% p.a (4.47% p.a)	-	7.83
Punjab National Bank - GECL	The loan is repayable in 22 quarterly instalments commencing from October 2017 and ended in January 2023.	9.25% p.a. (9.15% p.a)	-	0.42
	Security			
	First pari-passu charge on the entire block assets present and future of the Chittoor project Second pari-passu charge on following Immovable Properties: -Land and Building at Jaychand Ka Itas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Kasara no. 209/1/5/3, 209/1/4/1,209/1/5/1 and 209/1/5/2 -Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur -Residential Land & H No. 3/90, Mansarovar, Jaipur Personal guarantee of Managing Director Mr. Rajat Agrawal. Corporate guarantee of M/s Gravita Impex Private Limited (related party).			
IDFC First Bank Limited - Term Loan	The loan is for 60 months with 12 month moratorium and repayable in 16 Quarterly instalments commencing from December 2022 and ending in September 2026.	9.20% p.a (8.50% p.a)	34.81	31.12
	Security			
	First charge by way of mortgage on Land admeasuring (1) land admeasuring 5261 sq. mtrs of Survey No.45/1 land admeasuring 19729 sq.mtrs of Survey No. 45/2 & land admeasuring 16300 sq. mtrs of Survey no. 47 aggregating to 41360 sq.mtrs. (2) land admeasuring 8701 sq. mtrs of Survey No. 52/2 & land admeasuring 12039 sq. mtrs of Survey No.52) & (3) land admeasuring 20032 sq.mtrs of Survey No.43 total admeasuring 82152 sq mtrs situated lying and being at Mouje Gundala in registration District of Kutch and Sub District of Mundra, Gujarat together with the rights, liberties and approvals constructions and developments therein and a plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.			
Multiple banks - COVID loan	The loan is for 24 months with 6 month moratorium and repayable in 18 monthly instalments commencing from January 2021. The loan has been fully repaid as at 31 March 2023.	6.90% to 8.00% p.a. (6.90% to 8.00% p.a)	-	3.14
	Security			
	The loan will be secured over the all exiting primary and collateral security (mentioned in note 17(iv) below) held with consortium of bankers.			

(All amounts in Rs. crores, unless otherwise stated)

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Particulars		Rate	As at	As at
Punjab National Bank- GECL	The loan is for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026.	9.10% p.a. (8.25% p.a)	6.09	8.31
	Security			
	1. First Pari Passu charge on entire block assets present and future proposed Chittoor			
	2. Second pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the, stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	3. Second pari-passu charge by way of mortgage/hypothecation on the entire fixed assets (movable and immovable) of the Company, both present and future, excluding (i) the vehicles and assets of the Company exclusively charged to other lenders, and (ii) the assets of the Company at its Chittoor Plant, Andhra Pradesh, and including but not limited to:			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9690.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9864.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	4. Second pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	5. Second pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 203, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			

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GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

	Particulars	Rate	As at 31 March 2023	As at 31 March 2022
Canara Bank- GECL	The loan is for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026.	8.00% p.a. (7.65% p.a)	7.80	9.60
	Security			
	1. First pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the, stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	2. First pari-passu charge on the following properties:-			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9690.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9864.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27 B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	3. First pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	4. First pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 203, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present			
	5. Second Pari Passu charge on entire fixed assets of the company, both present and future, of Chittoor plant including land and building, Plant and machinaery and other fixed			

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(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

	Particulars	Rate	As at 31 March 2023	As at 31 March 2022
State Bank of India-GECL	The loan is for 60 months with 12 months moratorium and repayable in 48 monthly instalments commencing from January 2022 and ending in August 2026.	9.55% p.a. (7.95% p.a)	10.01	13.44
	Security			
	1. Second pari-passu hypothecation charge on the whole of the current assets of the Company including but not limited to, the, stocks of raw materials, stocks in process, semi-finished and finished goods, manufacturing and packaging supplies, stores and spares not relating to plant and machinery (consumable stores and spares), cash equivalents, temporary investments, bills receivable, operating cash flows, commissions, revenues, book debts, receivables, other receivables, etc. both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.			
	2. Second pari-passu charge by way of mortgage/hypothecation on the entire fixed assets (movable and immovable) of the Company, both present and future, excluding (i) the vehicles and assets of the Company exclusively charged to other lenders, and (ii) the assets of the Company at its Chittoor Plant, Andhra Pradesh, and including but not limited to:			
	a. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/4/1, 209/1/5/1 & 209/1/5/3 admeasuring 9690.88 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	b. all the pieces and parcels of the converted land comprised in Khasra No. 209/1/5/2 admeasuring 9864.19 sq. meters, situated at Village Jaychand Ka Bans, Village Panchayat Harsuliya, Tehsil Fagi, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	c. all the pieces and parcels of the Flat no. 302 admeasuring 1042.07 sq. feet comprised on the 2nd Floor along with covered parking space no. 3, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances			
	d. all the pieces and parcels of the Flat No. 401 admeasuring 1613.43 sq. feet + 15.00 sq. feet comprised on the 3rd Floor along with covered parking space No. 5, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	e. all the pieces and parcels of the Flat No. 403 admeasuring 1340 sq. feet comprised on the 4th Floor, Rajputana Tower, Plot no. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of the Company, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future, and			
	3. Second pari-passu charge by way of mortgage over all the pieces and parcels of the residential land and house comprised in SFS Block 3, Plot No. 90, situated at Mansarovar, Jaipur, Rajasthan, admeasuring 324 sq. meters, in the name of Gravita Impex Private Limited, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future.			
	4. Second pari-passu charge by way of mortgage over all the pieces and parcels of the Flat No. 203, 1st Floor, Rajputana Tower, Plot No. A-27-B, Shanti Path, Tilak Nagar, Jaipur, Rajasthan, in the name of Mr. Rajat Agrawal, together with all super-structures, construction thereof, easements, right to way and appurtenances thereon, both present and future			
Bandhan Bank-GECL	The loan is for 72 months with 24 months moratorium and repayable in 48 monthly instalments commencing from April 2024 and ending in March 2028.	9.25% p.a. (8.24% p.a)	7.45	7.45
	Security			
	Second Pari-Passu charge by way of hypothecation over moveable fixed assets of borrower at Chittoor plant. Second Pari-passu charge on Industrial and building situated at Chittoor District, Chittoor Sub district, Chittoor Mandal No.199, Anantpuram,Grampanchayat, No.99 Ananthapuram Reven.			

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Particulars		Rate	As at 31 March 2023	As at 31 March 2022
Bajaj FinServ Limited	The loan is repayable in 60 monthly instalments commencing from October 2019 and ending in September 2024.	10.45% p.a. (10.15% p.a)	2.34	3.90
	Security			
	First pari-passu charge over entire movable tangible fixed assets of the company (both present and future) except vehicles and those situated at company's chittoor unit.			
	First Pari-passu charge over entire current assets of the company (both present and future)			
	First pari-passu charge over land and building of the company situated at Phagi, Jaipur.			
	First Pari-passu charge by way of mortgage over flat no. 302, on second floor in Rajputana Tower situated at Plot No., A 27-B, Tilak Nagar, Shanti Path, Jaipur in the name of borrower.			
	First Pari Passu charge by way of mortgage over flat No. 403, on third floor in Rajputana Tower situated at A 27-B, Tilak Nagar, Shanti Path, Jaipur in the name of borrower.			
	First Pari-Passu charge by way of mortgage over flat No. 401, on third floor in Rajputana Tower situated at A 27-B, Tilak Nagar, Shanti Path, Jaipur.			
	First pari-passu charge by way of mortgage over flat no. 203, on first floor in Rajputana Tower situated at plot no. A-27-B, Tilak Nagar, Shanti Path, Jaipur in the name of Mr. Rajat			
	First pari-passu charge by way of mortgage over land & house HIG, SFS Block 3, plot 90, Mansarovar, Jaipur of Gravita Impex Pvt Ltd.			
Bajaj FinServ Limited	The loan is repayable in 60 monthly instalments commencing from March 2021 and ending in January 2027.	9.00% p.a. (9.00% p.a)	25.85	31.86
	Security			
	First Pari-passu charge on industrial land and building situated at Chittoor District, Chittoor sub district,Chittoor Mandal No.199, Anantpuram, Gram panchayat, No.99 Ananthapuram			

* Interest rates in the bracket denotes those of the previous year.

iii **Security disclosure for the outstanding current borrowings are as follows:**

1. First pari-passu charge over the entire current assets of the Holding Company including raw material, stock-in-trade, finished goods including stocks-in-transit and those lying in godowns, ports, etc and book debts (both present and future).
2. Hypothecation of receivables and all kind of stocks of raw material, semi finished goods, finished goods consumables including stocks in transit in the name of M/s Gravita Metal Inc.
3. First pari-passu charge on the entire fixed assets of the Group both present and future, excluding, vehicles, assets situated at Plot No. P.A. 011-006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, Assets of Survey no. 233/15 to 233/30, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, Assets situated at Survey no.43.Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujrat) and Flat no.402, Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
but including the following:
-Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
-Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur.
4. First pari-passu charge on Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party) and Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.
5. Personal guarantee of Managing Director Mr. Rajat Agrawal.
6. Corporate guarantee of M/s Gravita Impex Private Limited.
7. Second pari passu charge on the fixed assets of Chittoor Plant.
8. Mortgage of Lease hold rights of factory land measuring 2.50 kanals, bearing plot no. 25 & 26, situated at SICOP, Industrial Area, Kathua (J&K) in the name of M/s Gravita Metal Inc.
9. Hypothecation of Plant and Machinery and other fixed assets of the M/s Gravita Metal Inc. (present & future) situated at SICOP, Industrial Area, Kathua
10. Mortgage of Flat along with Furniture Fixtures bearing No. 102, Rajputana Tower A-27B Shanti Path Tilak Nagar Jaipur standing in the name of Gravita.
11. Primary Mortgage over stock in trade, book debts, leasehold land, immovable plant and machinery situated at Plot No.27 A, Mirigama EPZ, Mirigama, Sri Lanka in the name of Navam Lanka Limited.
12. Charge over Fixed and floating assets and Real Property owned by Recycler Ghana Limited.
13. First ranking legal mortgage over the charge Right entered between the EPZA and Gravita Tanzania Limited (The Derivative Right) at Plot No. 7, Block "A". Zegereni, Kibaha Township, Tanzania.
14. First ranking debenture over all assets of the Gravita Tanzania Limited.
15. Director's guarantee and Indemnity executed by Manesh Kumar Jangir and Surendra Singh Hada for Gravita Tanzania Limited.
16. Corporate guaranatee of Gravita India Limited and Gravita Infotech Limited.
17. Corporate guarantee of Gravita Netherlands BV.

	As at 31 March 2023	As at 31 March 2022
iv **Collateral:** Inventory, trade receivables, other current assets, other current financial assets, property, plant and equipment, capital work-in-progress are given as collateral/ security against the borrowings.	1,135.71	937.17

v **Rate of interest for current borrowings**
The Group's current borrowings facilities have an effective weighted-average contractual rate of 7.27 % per annum (March 31, 2022 :6.29 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

vi Repayment terms: Cash credit facilities and working capital demand loans are repayable on demand with in a period of less than 12 months. These loans have been used for the specific purpose for which they are taken as at the year end.

vii Refer note 40 and 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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GRAVITA

Note 18 - Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current	2.53	3.15
Current	0.73	0.55
Total	3.26	3.70

i. Disclosures on lease pursuant to Ind AS 116 - Leases

The Group has leases for the factory lands, buildings, equipment, etc. Also, the Group has a leasehold land at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur, which has been taken on a lease for a period of 92 years in the year 2013 and Plot no. 27-A, Mirigama export processing zone, Mirigama dist. Gampaha Sri Lanka.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Group is prohibited from selling or pledging the underlying leased assets as security against the Group's other debts and liabilities.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset ("ROU") recognised on balance sheet:

As at 31 March 2023

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	7	5.86-82.44	-	-
Plant and machinery	13	0.25-0.84	-	-
Building	10	2.30-3.26	-	-

As at 31 March 2022

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	7	6.86 - 83.44	-	-
Plant and machinery	11	0.01 - 1.42	-	-
Building	10	3.30 - 4.26	-	-

ii. The following are amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of use assets	0.70	1.78
Interest expense on lease liabilities	0.27	0.60

iii. Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right to use the underlying asset recognised in the financial statement. The expense relating to payments not included in the measurement of the lease liability for short term leases is Rs. 6.26 crores (Previous year: Rs. 3.82 crores).

iv. Total cash outflow for leases for the year ended March 31, 2023 was Rs. 7.09 crores (Previous year: Rs. 6.01 crores).

v. Maturities of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

Particulars	Lease payments	Interest expense	Net present values
March 31, 2023			
Not later than 1 year	1.43	0.25	1.18
Later than 1 year but not later than 5 years	2.39	0.62	1.77
Later than 5 years	0.82	0.51	0.31
Total	4.64	1.38	3.26
March 31, 2022			
Not later than 1 year	0.85	0.30	0.55
Later than 1 year but not later than 5 years	2.70	0.80	1.90
Later than 5 years	1.91	0.66	1.25
Total	5.46	1.76	3.70

vi. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost.

GRAVITA INDIA LIMITED

Note 19 - Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Employee share appreciation rights (refer note 44)	11.63	4.73
	11.63	4.73
Current		
Unclaimed dividends[i]	0.05	0.06
Derivatives designated at fair value through profit and loss[ii]	0.13	4.50
Payable under supply chain financing arrangement[v]	75.61	80.28
Creditors for capital goods	0.29	0.18
Employee related payables	29.24	44.53
Others	10.06	1.58
Total	115.38	131.13

(i) As at March 31, 2023, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2023	As at March 31, 2022
Margin money	(0.13)	(0.20)
Effect of marked to market on open contracts	0.26	4.70
Total	0.13	4.50

(iii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iv) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

(v) Represents channel financing facility availed by the Holding Company, which is a part of the supply chain financing arrangement with the channel financing partners, for amount payable to MSME vendors through TReDS portal.

Note 20 - Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current provisions for		
- Gratuity (refer note 43)	4.98	3.89
- Compensated absences (refer note 43)	1.55	1.19
- Provision for statutory liability	-	4.00
Total	6.53	9.08
Current provisions for		
- Gratuity (refer note 43)	0.62	0.51
- Compensated absences[#] (refer note 43)	0.10	0.41
Total	0.72	0.92

[#] includes short term provision for casual leaves as at March 31, 2023 amounting to Rs. Nil (Previous Year 0.31 crores).

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Note 21 Deferred tax assets/ (liability) (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability arising on account of:		
Property, plant and equipment and other intangible assets	7.83	9.95
Incentive income	0.06	0.12
Foreign currency translation reserve	0.15	-
Other temporary differences*	0.00	0.26
Gross deferred tax liabilities	8.04	10.33
Deferred tax asset arising on account of:		
Provision for employee benefits and other liabilities deductible on actual payment	0.04	1.32
Allowances for expected credit losses	0.01	1.16
Foreign currency translation reserve*	0.00	0.85
Right-of-use assets and lease liabilities*	0.00	0.12
Cash flow hedge reserve	-	0.22
Unrealised gain on unsold stock	-	1.07
Gross deferred tax assets	0.05	4.74
Minimum alternate tax (MAT) credit entitlement	14.09	4.09
Deferred tax assets/ (liabilities) (net)	6.10	(1.50)

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

No deferred tax asset has been recognised on tax losses of Rs. 7.12 crores (previous year: Rs. 6.30 crores) pertaining to the indian subsidiaries of the Group, considering there is no probability which demonstrates realisation of deferred tax asset in the near future.

(i) Deferred tax movements

Particulars	Opening balance	(Charge)/ credit in Statement of Profit and loss	(Charge)/ credit in other comprehensive income	Closing balance
For the year ended March 31, 2023				
Property, plant and equipment and other intangible assets	(9.95)	2.12	-	(7.83)
Incentive income	(0.12)	0.07	-	(0.06)
Foreign currency translation reserve	0.85	(1.01)	0.00	(0.15)
Provision for employee benefits and other liabilities deductible on actual payment	1.32	(1.84)	0.28	0.04
Allowances for expected credit losses	1.16	(1.15)	-	0.01
Right-of-use assets and lease liabilities*	0.12	(0.12)	-	0.00
Cash flow hedge reserve	0.22	(0.22)	-	-
Unrealised gain on unsold stock	1.07	(1.07)	-	-
MAT credit entitlement	4.09	10.00	-	14.09
Other temporary differences*	(0.26)	0.26	-	0.00
Total	(1.50)	7.03	0.28	6.10
For the year ended March 31, 2022				
Property, plant and equipment and other intangible assets	(8.24)	(1.71)	-	(9.95)
Incentive income	(0.44)	0.32	-	(0.12)
Foreign currency translation reserve	(3.06)	3.08	0.83	0.85
Provision for employee benefits and other liabilities deductible on actual payment	1.37	(0.03)	(0.02)	1.32
Allowances for expected credit losses	0.78	0.38	-	1.16
Right-of-use assets and lease liabilities	0.14	(0.02)	-	0.12
Cash flow hedge reserve	0.10	0.01	0.11	0.22
Unrealised gain on unsold stock	3.07	(2.00)	-	1.07
MAT credit entitlement	4.09	-	-	4.09
Other temporary differences	(0.22)	(0.04)	-	(0.26)
Total	(2.41)	(0.01)	0.92	(1.50)

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(ii) There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income tax Act, 1961:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2023	March 31, 2022
2019-20	2034-35	-	3.95
2020-21	2035-36	-	5.50
2021-22	2036-37	3.26	3.81
2022-23	2037-38	3.66	3.66
2023-24	2038-39	4.51	-
Total		11.43	16.92

(All amounts in Rs. crores, unless otherwise stated)

Assessment year (AY) to which unabsorbed losses pertains	Expiry date	March 31, 2023	March 31, 2022
2014-15	2022-23	0.17	0.17
2015-16	2023-24	1.04	1.04
2016-17	2024-25	0.20	0.20
2017-18	2025-26	0.73	0.73
2018-19	2026-27	0.00	0.00
2019-20	2027-28	0.44	0.44
2020-21	2028-29	0.78	0.78
2021-22	2029-30	0.75	0.75
2022-23	2030-31	0.31	0.31
2023-24	2031-32	0.44	-
		4.86	4.42

Assessment year (AY) to which unabsorbed depreciation pertains	March 31, 2023	March 31, 2022
Upto 2012-13	0.21	0.21
2013-14	0.25	0.25
2014-15	0.22	0.22
2015-16	0.25	0.25
2016-17	0.27	0.27
2017-18	0.20	0.20
2018-19	0.04	0.04
2019-20	0.13	0.13
2020-21	0.11	0.11
2021-22	0.11	0.11
2022-23	0.09	0.09
2023-24	0.38	
	2.26	1.88

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(iv) The Group has unused minimum alternate tax credit amounting to Rs. 14.09 crores as of 31 March 2023 (previous year: Rs. 4.09 crores). Such tax credit have been recognised on the basis that recovery is probable in forseeable future. The Group has following unutilised MAT credit entitlement which has been recognised in the current and previous years:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2023	March 31, 2022
2017-18	2032-33	3.83	3.83
2019-20	2034-35	4.21	0.26
2020-21	2035-36	5.50	-
2021-22	2036-37	0.55	-
Total		14.09	4.09

Note 22 - Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred government grants[i] [refer note 24(ii)]	0.14	0.16
Total	0.14	0.16
Current		
Revenue received in advance [refer note 24(i)(c)]	12.37	13.55
Deferred government grants[i] [refer note 24(ii)]	0.02	0.02
Statutory dues payable	6.48	1.16
Other payables	-	0.91
Total	18.87	15.64

(i) Movement of deferred government grants

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	0.18	0.20
Released during the year	(0.02)	(0.02)
At the end of the year	0.16	0.18

Note 23 - Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises[i]	2.72	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	86.50	31.61
Total	89.22	32.69

Ageing Schedule of trade payable

As at March 31, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.42	2.27	0.03	-	-	2.72
Total outstanding dues of creditors other than micro enterprises and small enterprises	82.49	3.40	0.16	0.32	0.13	86.50
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

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(All amounts in Rs. crores, unless otherwise stated)

As at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.02	1.06	-	-	-	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.71	28.37	2.09	-	0.44	31.61
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

(i) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Holding Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006') at the year end are mentioned below. The same has been relied upon by the auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.72	1.08
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	0.00	0.00
iii. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
v. The amount of interest accrued and remaining unpaid at the end of the accounting year*	0.00	0.00
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 24 - Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Operating revenue[i]		
Sale of products		
Manufactured/ Recycled goods	2,211.18	1,953.97
Traded goods	575.55	252.05
Sale of services	0.45	0.08
Other operating revenue		
Export incentives including amortisation of government grant[ii),(iii) and (iv)]	10.90	7.52
Job work income	0.49	0.30
Scrap sales	2.03	1.95
Total	2,800.60	2,215.87

I. Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2023 by Product type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue by product type:		
Lead	2,319.58	1,860.49
Aluminium	338.81	206.77
Turnkey projects	19.03	5.74
Plastics	104.50	131.38
Others	4.81	1.64
Revenue from sale of services	0.45	0.08
Total	2,787.18	2,206.10
Revenue by time:		
Revenue recognised at point in time	2,787.18	2,206.10
Total	2,787.18	2,206.10

(b) Trade receivables and contract balances

The Group present the right to consideration in exchange for sale of promised products/ service as Trade receivable in financial statements. A receivable is a right to consideration that is unconditional upon passage of time. Trade receivable are presented net of impairment (if any) in the Balance Sheet. Further, impairment of bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109. Refer note 42 for details of expected credit loss for trade receivables under simplified approach.

(c) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	13.55	9.84
Net Moment during the year	(1.18)	3.71
Balance at the end of the year	12.37	13.55

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract price	2,794.52	2,213.18
Less: discount, rebates, credits etc.	(7.34)	(7.08)
Revenue from operations as per Statement of Profit and Loss	2,787.18	2,206.10

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ii. The Holding Company's recycling facility at Chittoor, was eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the plant had been granted "Small Industry" status and was eligible for incentives like, power cost reimbursement, interest reimbursement, refund of sales tax/State Goods and Services Tax paid in cash, etc. Based on such policy, the Group had recognised the incentive computed based on State Goods and Services Tax paid to Government of Andhra Pradesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Group was also entitled for capital grant of Rs. 0.26 crores out of which Rs. 0.02 (previous year: Rs. 0.02 crores) has been recognised as Amortisation of government grant under the head "Other operating revenue" and balance amount of Rs. 0.14 crores (previous year: Rs. 0.16 crores) has been recognised as Deferred government grants under head "Other liabilities".

iii. During current year, the amount of Rs. 4.36 crores (previous year: 3.05 Crores) has been recognised under the head "Other operating revenue", which has been credited under electronic credit ledger under Remission of Duties or Taxes on Export Products (RoDTEP) scheme.

iv During the current year, an amount of Rs. 6.02 crores (previous year: Rs. 4.02 crores) has been recognised under the head "Other operating revenue", which has been credited under Duty Drawback scheme as envisaged under The Customs Act 1962.

Note 25 - Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from financial assets measured at amortised cost:		
- Bank deposits	0.38	0.40
- Others	0.36	0.48
Other non-operating income		
Liabilities/ provision no longer required written back	0.38	0.81
Miscellaneous income	3.11	1.56
Other gains		
Gain on disposal of property, plant and equipment (net)	0.47	0.11
Gain on sale of investment (net)	-	0.43
Gain on foreign currency exchange fluctuation (net)	31.60	3.48
Derivatives measured at fair value through profit and loss		
- Gain on foreign currency forward contracts	-	0.57
- Gain on commodity forward contracts	56.77	-
Income from mutual funds carried at fair value through profit and loss	0.01	-
Total	93.08	7.84

Note 26 - Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening [i]	250.24	160.68
Add: Purchase	2,334.23	1,843.48
Less: Closing [i]	289.05	250.24
Total#	2,295.42	1,753.92

#Cost of Material consumed includes packing material and other ancillary products which are used for manufacturing.

[i] inclusive of goods-in-transit

Note 27 - Purchases of stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Re-melted/ Refined lead ingots	9.89	20.88
Aluminium and others	10.88	23.32
Total	20.77	44.20

(All amounts in Rs. crores, unless otherwise stated)

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Note 28 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock		
Finished goods[(i)]	119.87	91.65
Work-in-progress	112.37	89.46
Stock-in-trade	4.28	0.82
Less: Closing stock		
Finished goods[(i)]	120.16	119.87
Work-in-progress	150.33	112.37
Stock-in-trade	0.20	4.28
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(34.17)	(54.59)

(i) Inclusive of goods-in-transit

Note 29 - Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	111.49	88.61
Contribution to provident and other funds (refer note 43)	5.62	4.15
Employee share appreciation rights expenses (refer note 44)	6.90	4.73
Staff welfare expenses	9.55	5.26
Total	133.56	102.75

Note 30 - Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest costs on		
- Borrowings	27.41	23.22
- Lease liabilities	0.27	0.60
Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs	2.45	5.69
Other borrowing costs*	9.01	4.04
Total	39.14	33.55

* includes discounting charges, filing charges etc.

Note 31 - Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	23.12	18.59
Amortisation of intangible assets	0.14	0.19
Depreciation of right-of-use assets	0.70	1.78
Total	23.96	20.56

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(All amounts in Rs. crores, unless otherwise stated)

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Note 32 - Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	17.80	16.77
Rates and taxes	8.84	10.55
Consumption of stores and spare parts	9.85	6.03
Legal and professional fees	5.53	3.49
Repairs and maintenance		
- Plant and machinery	18.25	13.37
- Building	2.39	1.10
- Others	4.36	3.10
Freight and forwarding	57.12	46.40
Travelling and conveyance	8.36	5.23
Insurance	1.38	0.87
Rent (refer note 18)	6.26	3.82
Sales commission	1.40	-
Advertising and sales promotion	6.04	5.78
Communication	0.62	-
Donations and scholarships	0.02	0.08
Payment to auditors[i]	0.97	1.04
Allowance for expected credit loss on financial assets	3.11	1.08
Net loss on foreign currency transactions and translation	4.16	0.20
Loss on disposal/ discard of property, plant and equipment	0.52	2.13
Loss on sale of investment	4.50	-
Expenditure on corporate social responsibility	0.86	0.64
Bank charges	4.36	4.44
Investment in associate written-off	0.01	-
Contractual labour expenses	5.45	1.70
Other financial assets written off	6.49	1.48
Derivatives measured at fair value through profit or loss		
- Loss on foreign currency forward contracts	1.38	-
- Loss on commodity forward contracts	-	24.31
Miscellaneous expenses	5.72	5.07
Loss by fire	1.66	-
Total	187.41	158.68

(i) Payment to auditors*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
- Audit fee	0.80	0.63
In other capacity		
- Certification and other matters	0.03	0.37
- Reimbursement of out of pocket expenses	0.14	0.04
Total	0.97	1.04

*excluding applicable taxes

(All amounts in Rs. crores, unless otherwise stated)

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Note 33 - Tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of current year	28.68	16.05
In respect of earlier year	1.85	0.13
	30.53	16.18
Deferred tax		
In respect of current year	2.97	0.01
Minimum alternate tax credit recognised during the current year	(10.00)	-
	(7.03)	0.01
Income tax expense reported in the Consolidated Statement of Profit and Loss	23.50	16.19
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Accounting profit before tax	227.59	164.64
Statutory income tax rate*	34.94%	34.94%
Tax expense at statutory income tax rate	79.53	57.53
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Effect of income that is exempt from taxation	(45.37)	(32.79)
Effect of expenses that are not deductible in determining taxable profit	1.77	1.80
Effect of different tax rates of subsidiaries operating in other jurisdictions	(16.09)	(10.19)
Effect of impairment of investments	0.29	-
Provision for non - allowance of statutory liabilities	1.44	-
Deferred tax assets/ (liabilities) not recognised on temporary difference, which will reverse within the tax holiday period	1.67	(0.16)
Movement in tax provision relating to earlier years	1.50	0.13
Others	0.76	(0.12)
Income tax expense recognised in Consolidated Statement of Profit and Loss	23.50	16.19

Deferred tax has not been created on incentive income/ receivable for Chittor plant of the Holding Company, considering the same will be realised within the tax holiday period available under section 80IA of Income tax Act, 1961.

*The Companies operating under different jurisdiction have different tax rates and some entities operate under trade free zone. However, for purpose of consolidation, tax rate applicable on the Holding Company has been assumed as standard tax rate.

Income tax recognised in Other comprehensive income

Particulars	March 31, 2023			March 31, 2022		
	Before tax	Tax Expenses/ (Benefits)	Net of Tax	Before tax	Tax Expenses/ (Benefits)	Net of Tax
Remeasurement of defined benefit plans	(0.80)	0.28	(0.52)	0.05	(0.02)	0.03
Change in fair value of hedging instruments*	0.00	(0.00)	0.00	(0.31)	0.11	(0.20)
Foreign currency translation reserve*	0.18	(0.00)	0.18	(2.38)	0.83	(1.55)
Total	(0.62)	0.28	(0.34)	(2.64)	0.92	(1.72)

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

Note 34 - Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Bank guarantees		
Bank guarantee given by the Group Companies	4.68	5.84
Claim against the Group not acknowledged as debt[(i)]		
Excise Duty/Customs Duty/Service Tax/Goods and Service Tax	8.88	4.29
	13.56	10.13

(i) All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liability could arise on the Group on account of these proceedings.

(b) Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	2.62	1.53
Other commitments related to export obligations pertaining to the Holding Company	23.48	16.16
Total	26.10	17.69

Note 35 - Dividend

Particulars	Dividend per share	Total dividend
For the year ended March 31, 2023		
Interim dividend for financial year 2022-23		4.32
Total		4.32
For the year ended March 31, 2022		
Interim dividend for financial year 2021-22[(i)(ii)]	refer note (i) (ii)	23.83
Total		23.83

(i) Includes dividend declared by the Board of Directors of Holding Company in its meeting held on January 29, 2022 at the rate of Rs. 3.00 per share. This is subject to approval of the members at the ensuing Annual General Meeting.
(ii) It does not include amount paid to Gravita Employee Welfare Trust by the Holding Company.

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Note 36 - Earning per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to owners of holding company (Rs. in Crores) (A)	201.10	139.39
Total shares issued at the beginning of the year (in numbers) (B) (refer note 15)	6,90,37,914	6,90,37,914
Less: Weighted average number of shares reserved under 'Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust at the beginning of the year (C)	13,80,500	13,80,500
Weighted-average number of equity shares for basic EPS (D) = (B + C)	6,76,57,414	6,76,57,414
Effect of dilution* (E)	-	-
Weighted-average number of equity shares for diluted EPS (F) = (D + E)	6,76,57,414	6,76,57,414
Basic earnings per share (in Rs.) (A/D)	29.72	20.60
Diluted earnings per share (in Rs.) (A/F)	29.72	20.60

*Options granted under stock appreciation rights scheme are considered as potentional equity shares. But they have not been included in the determination of diluted earning per share as these have been acquired from the open market by the employee welfare trust.

Note 37 - Reconciliation of liabilities arising from financing activities

Particulars	Non-current borrowing	Current borrowing	Lease liabilities
As at April 1, 2021	51.24	204.93	4.92
Cash inflow	103.67	0.40	-
Cash outflow	(44.78)	72.65	(2.19)
Non-cash changes			
- Recognition of lease liabilities			1.04
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	(0.59)	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	(0.01)	0.31	-
- Disposals	-	-	(0.67)
- Interest cost on lease liabilities	-	-	0.60
As at March 31, 2022	109.53	278.29	3.70
Cash inflow	20.97	-	
cash outflow	(40.11)	(24.21)	(0.83)
Non-cash changes			
- Recognition of lease liabilities	-	-	0.13
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	-	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	-	(0.01)	-
- Interest cost on lease liabilities	-	-	0.27
As at March 31, 2023	90.39	254.07	3.27

Note 38 - Disclosure as per Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2023		March 31, 2022	
	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
Investment in associate				
Pearl Landcon Private Limited^	-	-	0.00	0.00

^Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

(All amounts in Rs. crores, unless otherwise stated)

Note 39 - Disclosure of effects of hedge accounting on financial position

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value in USD (Absolute number)	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
March 31, 2023							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	1,96,629	1.62	August 29, 2023	1:1	Rs. 82.54/ USD	(0.01)	(0.01)
March 31, 2022							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	71,89,257	54.50	April 02, 2022 - September 26, 2022	1:1	Rs. 73.40/ USD	0.30	0.30

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive loss (income)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
For the year ended March 31, 2023				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)*	(0.01)	-	0.00	Finance cost and other income
For the year ended March 31, 2022				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	0.31	-	(0.01)	Finance cost and other expenses

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2023	March 31, 2022
Amount at the beginning of the year	0.39	0.19
Add: Changes in value of PCFCs	(0.01)	0.30
Less: Amount reclassified to profit or loss*	0.00	0.01
Less: Deferred tax relating to above (net)*	(0.00)	(0.11)
Amount at the end of the year	0.38	0.39

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

Note 40 - Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2023, the Group is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. The Group's management reviews the capital structure of the Group on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Group also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

The following table summarises the capital of the Group:

Particulars	As at March 31, 2023	As at March 31, 2022
Total equity	588.93	386.85
Non-current borrowings	90.39	109.53
Current borrowings (including current maturities)	254.07	278.29
Total capital (Debt + Equity)	933.39	774.67

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(All amounts in Rs. crores, unless otherwise stated)

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Note 41 - Financial Instruments

A. Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at March 31, 2023		As at March 31, 2022	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets					
Investments*[ii]	6	0.00	1.11	0.00	-
Trade receivables	12	137.02	-	109.65	-
Other financial assets	8	51.40	-	67.02	-
Derivative assets	8	-	3.88	-	0.70
Loans	7	0.50	-	1.84	
Cash and cash equivalents	13	30.37	-	23.42	-
Bank balances other than cash and cash equivalents	14	7.75	-	9.10	-
Total financial assets		227.04	4.99	211.03	0.70
Financial liabilities					
Non-current borrowings	17	90.39	-	109.53	-
Current borrowings	17	254.07	-	278.29	-
Lease liabilities	18	3.26	-	3.70	-
Trade payables	23	89.22	-	32.69	-
Other financial liabilities	19	126.75	-	131.13	-
Derivative liabilities	19	-	0.26	-	4.70
Total financial liabilities		563.69	0.26	555.34	4.70

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

[ii] Investment in associate is measured at using equity method of accounting and hence, not presented here.

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Group has opted for designating the derivative assets and derivative liabilities to classify as fair value through profit or loss as the respective gain/(loss) on the original

asset/liability is routed through the statement of profit and loss, therefore, the Group intends to classify these derivate assets and derivative liabilities through profit or loss.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Note	Level 1	Level 2	Level 3	Total
As at March 31, 2023					
Financial assets measured at fair value through profit or loss					
Derivative assets	8		3.88	-	3.88
Investment in mutual funds	6	1.11	-	-	1.11
Derivative liabilities	19	-	0.26	-	0.26
As at March 31, 2022					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	0.70	-	0.70
Derivative liabilities	19	-	4.70	-	4.70

Valuation process and technique used to determine fair value

i. The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

iii. The Group enters into commodity contracts with financial institutions for hedging price risk of lead arising from its import and export. Fair values of such contracts are determined based on observable rates of the commodity for similar contracts for the remaining maturity on the balance sheet date. The valuation of such instruments is carried out through the rates (marked to market) confirmed by the respective banks as at the balance sheet date.

iv. There are no significant changes in value of level 3 investment measured at fair value through other comprehensive income.

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(All amounts in Rs. crores, unless otherwise stated)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Note	March 31, 2023		March 31, 2022	
		Carrying value	Fair value	Carrying value	Fair value
Non-current financial assets					
Investments*	6	0.00	0.00	0.00	0.00
Security deposits	8	2.73	2.73	2.76	2.76
Duty paid under protest	8	0.59	0.59	0.32	0.32
Others (amount deposited with Government authorities)	8	4.81	4.81	6.14	6.14
Deposits with bank (with remaining maturity more than 12 months)	8	0.10	0.10	0.34	0.34
Non-current financial liabilities					
Borrowings	17	90.39	90.39	109.53	109.53
Lease liabilities	18	2.53	2.53	3.15	3.15

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as "0.00".

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables, current lease liabilities and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current loans and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual credit worthiness of the counterparty/borrower and other market risk factors.

ii. The fair values of the Group's fixed interest bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.

iii. Long term borrowing facilities availed by the Group which are variable rate facilities, are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

Note 42 - Financial Risk Management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow	Availability of committed credit lines and borrowing
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

I. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a. Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

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The Group provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	6 month expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Low credit risk			
Loans	7	0.50	1.84
Security deposits	8	3.62	3.66
Trade receivables	12	137.02	109.65
Cash and cash equivalents	13	30.37	23.42
Bank balances other than cash and cash equivalents	14	7.75	9.10
Other financial assets (including derivative assets)	8	51.66	64.06
High credit risk			
Trade receivables	12	2.76	3.32
Total		233.68	215.05

(i) Investment in associate is measured at using equity method of accounting and hence, not presented here.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Group. The Group has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Group recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

b. Expected credit losses for financial assets

i. Financial assets (other than trade receivables)

Group provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.
For cash and cash equivalents, other bank balances and derivative financial instruments - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.
For security deposits paid - Credit risk is considered low because the Group is in possession of the underlying asset.
For other financial assets - Credit risk is evaluated based on Group knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Particulars	Notes	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2023					
Cash and cash equivalents	13	30.37	0.00%	-	30.37
Bank balances other than cash and cash equivalents	14	7.75	0.00%	-	7.75
Loans	7	0.50	0.00%	-	0.50
Security deposits	8	3.62	0.00%	-	3.62
Other financial assets	8	51.66	0.00%	-	51.66
March 31, 2022					
Cash and cash equivalents	13	23.42	0.00%	-	23.42
Bank balances other than cash and cash equivalents	14	9.10	0.00%	-	9.10
Loans	7	1.84	0.00%	-	1.84
Security deposits	8	3.66	0.00%	-	3.66
Other financial assets	8	64.06	0.00%	-	64.06

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ii. Expected credit loss for trade receivables under simplified approach

As at March 31, 2023 and March 31, 2022, the Group considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount of impairment provision
March 31, 2023				
Amount not yet due	84.65	0.00%	-	84.65
Between one to six month overdue	46.65	0.00%	-	46.65
Greater than six month overdue	8.48	32.49%	2.76	5.73
Total	139.78		2.76	137.02
March 31, 2022				
Amount not yet due	73.38	0.00%	-	73.38
Between one to six month overdue	34.76	0.00%	-	34.76
Greater than six month overdue	4.83	68.74%	3.32	1.51
Total	112.97		3.32	109.65

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period

Particulars	Trade receivables
Loss allowance as at April 1, 2021	2.24
Changes in loss allowance	1.08
Less: Amounts written off during the year	-
Loss allowance as at March 31, 2022	3.32
Add: Allowance provided during the year	3.11
Less: Amounts written off during the year	(3.67)
Loss allowance on March 31, 2023	2.76

II. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

a. Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Undrawn*	93.69	60.21

* includes working capital facilities which is due for review every year

b. Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
March 31, 2023				
Non-derivatives				
Non current borrowings	-	90.39	-	90.39
Current borrowings	254.07	-	-	254.07
Lease liabilities	1.18	1.77	0.31	3.26
Trade payables	89.22	-	-	89.22
Other financial liabilities	115.38	-	-	115.38
Total	459.85	92.16	0.31	552.32
March 31, 2022				
Non-derivatives				
Non-current borrowings	-	108.79	0.74	109.53
Current borrowings	278.29	-	-	278.29
Lease liabilities	0.55	1.90	1.25	3.70
Trade payables	32.69		-	32.69
Other financial liabilities	131.13	-	-	131.13
Total	442.66	110.69	1.99	555.34

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iii. Market risk

a. Foreign currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. The Group's exposure to foreign currency changes for all other currencies which are not stated below is not material. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD	32.10	77.36	61.05	62.32
EURO	-	0.18	-	-

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

The impact on the Group's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
USD Sensitivity		
INR/USD - Increase by 4.95% (previous year: 4.06%)	(1.43)	0.61
INR/USD - Decrease by 4.95% (previous year: 4.06%)	1.43	(0.61)
EURO Sensitivity		
INR/EURO - Increase by Nil (previous year: 4.74%)	-	0.01
INR/EURO - Decrease by Nil (previous year: 4.74%)	-	(0.01)

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

Outstanding contracts	No. of deals		Foreign currency USD (Absolute numbers)		Nominal amount (INR)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD / INR sell forward	2,600	2,600	26,00,000	26,00,000	21.38	19.71
Commodity derivative	12,225	10,625	2,57,70,300	2,57,33,538	211.88	195.08

b. Interest rate risk

i. Financial liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. As at March 31, 2023 and March 31, 2022, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Group's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	280.95	309.42
Fixed rate borrowing	63.51	78.00
Total borrowings	344.46	387.42

Sensitivity

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2023	As at March 31, 2022
Interest sensitivity(i)		
INR Borrowings		
Interest rates – increase by 100 basis points	2.81	3.09
Interest rates – decrease by 100 basis points	(2.81)	(3.09)

(i) Holding all other variables constant

c. Price risk

Exposure

The Group exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. There are no investments held by the Group which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Group is not exposed to price risk.

(All amounts in Rs. crores, unless otherwise stated)

Note 43 - Employee benefits plans

(I) Defined Contribution Plans

The Group makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to those defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Employer's contribution to provident funds	5.09	3.65
Employer's contribution to employee state insurance and other funds	0.53	0.49
Employer's contribution to labour welfare fund*	0.00	0.01

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

Earned leaves- Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end acturial valuation.

Casual leaves- Unutilized casual leaves get elapsed at the end of each calender year. The Group has provided for casual leave for a period of 3 months i.e. from January 2022 till March 2022. However, in current year, the Holding Company has merged the casual leaves with earned leaves as per revised leave policy.

(II) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

These plans typically expose the Group to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

Investment Risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk -The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk -The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Reconciliation of opening and closing balances Defined Benefit Obligation for the Group*

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Change in benefit obligation (A)				
Present value of obligation as at the beginning of the year	4.40	1.60	3.28	0.78
Current service cost	0.21	0.24	1.04	0.81
Interest cost	0.26	0.07	0.22	0.04
Actuarial loss/ (gain)	0.80	(0.18)	(0.09)	0.01
Actuarial loss/ (gain) on plan assets	-	-	-	-
Benefits paid	(0.08)	(0.08)	(0.04)	(0.05)
Present value of obligation as at the end of the year	**5.60**	1.65	4.40	1.60
Change in plan assets (B)				
Fair value of plan assets at the beginning of the year	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Liability recognized in the financial statement (A - B)	5.60	1.65	**4.40**	1.60

*The acturial valuation of defined benefit plans is conducted by the companies, wherever applicable, as per the jurisdiction previlient in the respective countries.

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Actuarial assumptions

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount rate	7.18% to 8.00%	7.18% to 8.00%	7.18% to 8.00%	7.18% to 8.00%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	20.83	20.91	23.29	23.48
Average remaining working lives of employees with Mortality and Withdrawal (years)	16.52	16.52	17.90	17.79
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

Maturity profile of defined benefit obligation

Year	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	0.60	0.08	0.48	0.08
1 to 2 year	0.13	0.05	0.06	0.02
2 to 3 year	1.86	0.06	0.09	0.04
3 to 4 year	0.39	0.14	0.81	0.05
4 to 5 year	0.57	0.21	0.32	0.11
5 to 6 year	0.09	0.03	0.45	0.17
6 year onwards	1.62	0.54	1.55	0.53

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
Current service cost	0.21	0.24	1.04	0.81
Net interest cost	0.26	0.07	0.22	0.04
Actuarial loss	-	(0.18)	-	0.01
Total amount recognised in profit or loss	0.47	0.13	1.26	0.86
Re-measurements recognised in Other comprehensive income				
Actuarial (gain) / loss on plan assets	-	-	-	-
Effect of changes in demographic assumptions	-	-	-	-
Effect of changes in financial assumptions	(0.06)		(0.11)	-
Effect of experience adjustments	0.85	-	0.06	-
Total re-measurements included in Other Comprehensive Income	0.80	-	(0.05)	-
Total amount recognised in Statement of Profit and Loss	1.27	0.13	1.21	0.86

Provision created in subsidiary companies are complied withas per the requirements of their respective land laws wherever applicable.

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	5.60	1.65	4.40	1.60
(a) Impact of the change in discount rate				
Impact due to increase of 0.50%	(0.15)	(0.05)	(0.14)	(0.05)
Impact due to decrease of 0.50%	0.17	0.05	0.15	0.05
(b) Impact of the change in salary increase				
Impact due to increase of 0.50%	0.17	0.06	0.15	0.05
Impact due to decrease of 0.50%	(0.16)	(0.05)	(0.14)	(0.05)

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(All amounts in Rs. crores, unless otherwise stated)

Note 44 - Employee share based payments

Employee Stock appreciation rights Scheme

In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, Inter alia, administers and monitors the Gravita Stock Appreciation Rights Scheme 2017 of the Holding Company. The Compensation Committee, at its meeting granted 652,500 (Previous year: Nil) Stock Appreciation Rights ('SAR') to the employees of the Group under Gravita Stock Appreciation rights Scheme 2017. In addition, Gravita Employee Welfare Trust has purchased Nil (previous year: Nil) equity shares from secondary market. The method of settlement of these Stock Appreciation Rights would be through cash at the retirement of the respective employees.

(i) Movement of shares acquired by Gravita Employee Welfare Trust

Particulars	March 31, 2023	March 31, 2022
Number of shares outstanding at the beginning of the year	13,80,500	13,80,500
Equity shares acquired during the year	-	-
Number of shares outstanding at the end of the year	13,80,500	13,80,500

(ii) Movement of shares appreciation rights granted by Gravita Employee Welfare Trust

Particulars	March 31, 2023	March 31, 2022
Number of shares appreciation rights granted at the beginning of	7,28,000	7,28,000
Shares appreciation rights granted during the year	6,52,500	-
Number of shares appreciation rights granted at the end of the	13,80,500	7,28,000

(iii) Gravita has granted certain SAR to its employees under the Scheme details of which are as under*

Grant of SAR	Number of SAR	
	March 31, 2023	March 31, 2022
SAR 2018-19*	70,000	70,400
SAR 2019-20	1,29,600	1,29,600
SAR 2020-21*	5,03,000	5,28,000
SAR 2022-23	6,77,900	-
Total	13,80,500	7,28,000

* 400 SAR from 2018 19 and 25,000 SAR from 2020-21 were lapsed/reissue in FY 2022-23 as per the Holding Company's ESAR policy

* The Holding Company has granted 8,25,000 (previous year: 4,02,600) stock appreciation rights to KMP's which will be exercised at the time of their respective retirement and which are subject to upward and downward revision and in the event of termination of employment of the Unit holder due to cause, all the units shall lapse on the termination of the employment of the Unit holder and shall revert to the pool. The Holding Company shall not have any further obligations towards the Unit holder towards such lapsed units. The Compendation Committee may grant such lapsed units to any eligible employee in accordance with the scheme, at its sole discretion.

(iv)

Particulars	March 31, 2023	March 31, 2022
Weighted average remaining contractual life (in years)	24.90	25.90

(v) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for the options granted till 31 March 2023*:

Date of Grant	Market Price as at 31 March 2023	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation/ Expected Volatility	Employee Attrition	Fair Value per share as at 31 March 2023
1 April 2018	484.65	70,000	3.27 to 19.32	143.31	6.88% to 7.00%	52.01% to 56.11%	18.00%	308.25 to 379.96
1 April 2019	484.65	1,29,600	3.27	108.23	6.88%	53.80%	18.00%	328.86
1 April 2020	484.65	5,03,000	1.08 to 24.90	42.55	6.72% to 7.03%	45.55% to 56.11%	18.00%	364.96 to 393.40
23 January 2023	484.65	6,52,500	3.11 to 16.73	70.00	6.87% to 6.98%	52.29% to 56.11%	18.00%	351.44 to 384.57
23 January 2023	484.65	25,400	3.11	80.00	6.87%	52.29%	18.00%	345.05

31-Mar-22

Date of Grant	Market Price as at 31 March 2022	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation/ Expected Volatility	Employee Attrition	Fair Value per share as at 31 March 2022
1 April 2018	317.75	70,400	0.97 to 20.32	143.31	4.14% to 7.11%	52.09% to 61.41%	18.00%	151.52 to 247.53
1 April 2019	317.75	1,29,600	4.27	108.23	5.78%	53.83%	18.00%	198.96
1 April 2020	317.75	5,28,000	2.08 to 25.90	42.55	4.80% to 7.11%	52.09% to 57.98%	18.00%	229.07 to 257.42

* expected dividends are nil as the Gravita Employee Welfare Trust has historically never distributed any dividends.

Determination of volatility

Volatility is the degree to which price moves, whether it goes up or down. It is a measure of the speed and magnitude of the underlying's price changes. Historical volatility refers to the actual price changes that have been observed over a specified time. There is no research that demonstrates conclusively how long the historical period used to estimate expected long-term future volatility should be. Hence, we have considered the historical volatility of the shares of the Holding Company on National Stock Exchange (NSE) commensurate with the expected life of the share option being valued.

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Note 45 - Segment Information

Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Board of Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated in the segments below:

i) Lead processing
ii) Aluminium processing
iii) Turn-key solutions
iv) Plastic manufacturing

Lead processing includes smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc.

Aluminium processing includes trading of Taint Tabor and Tense aluminium scraps manufacturing of alloy from melting of aluminium scrap.

Turn key solution includes, complete supply of plant and machinery related to lead manufacturing plant. Further, since carton trading does not amounts to primary business activities, hence the same has been clubbed in others in segment reporting.

Segment revenue and results include the respective amounts identifiable to each of the segments. Other unallowable expenditure includes expenses incurred on finance cost, which are not directly identifiable to segments.

In addition to the significant accounting policies applicable to the business segments as set out in note 1, the accounting policies in relation to segment accounting are as under:

(a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipment, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes.

(c) Geographical segments

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation is mainly for two locations:

(i) India (country of domicile); and
(ii) other than India (all countries other than India is considered by CODM as one geographical area).

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets has been given below:

* Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts

(i) located in the entity's country of domicile; and
(ii) located in all foreign countries in total in which the entity holds assets.

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GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
A. Segment revenue[(i)]		
Lead	2,333.45	1,870.34
Aluminium	338.81	206.77
Turnkey projects	19.03	5.74
Plastics	104.50	131.38
Others	4.81	1.64
Total	2,800.60	2,215.87
B. Segment results		
Lead	209.71	173.25
Aluminium	28.41	28.92
Turnkey projects	11.73	0.49
Plastics	15.03	17.80
Others	0.69	(1.48)
Total	265.57	218.98
C. Reconciliation of segment result with profit after tax		
Segment results	265.57	218.98
Add/ (less): Unallocated income/ (expenses)		
Finance costs	39.14	33.55
Other income	(36.31)	(7.84)
Other expenses	35.15	28.63
Share of loss of an associate^	(0.00)	0.00
Tax expenses	23.50	16.19
Profit after tax in the Statement of Profit and Loss	204.09	148.45
D. Segment depreciation and amortisation expense		
Lead	11.32	9.62
Aluminium	1.75	1.14
Plastics	3.91	4.01
Turnkey projects	1.03	0.72
Others	0.03	0.09
Unallocated	5.92	4.98
Total	23.96	20.56
D. Segment assets		
Lead	890.65	695.40
Aluminium	197.42	102.23
Plastics	21.36	46.45
Turnkey projects	39.99	25.32
Others	2.09	17.83
Unallocated assets	53.69	110.27
Total assets	1,205.20	997.50
E. Segment Liabilities		
Lead	312.51	74.00
Aluminium	113.23	54.78
Plastics	12.51	12.62
Turnkey projects	4.98	10.12
Others	3.16	12.75
Unallocated liabilities	157.11	432.38
Total liabilities	603.50	596.65

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Particulars	March 31, 2023	March 31, 2022
F. Investment in associate		
Unallocated*	-	0.00
G. Revenue by geographical market		
Within India	1,258.43	1,036.28
United Arab Emirates	329.84	214.22
South Korea	256.66	247.75
Outside India (other than above)	955.67	717.62
Total	2,800.60	2,215.87

Particulars	March 31, 2023	March 31, 2022
H. Non-current assets by geographical market		
Within India	215.42	167.56
Outside India	126.28	84.56
Total	341.70	252.12

(i) Segment revenue reported above represents revenue generated from external customers

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

Information about major customers

Sales of Rs. 953.52 crores (previous year: Rs. 616.39 crores), included in total revenue, which arose from sales of two of the Group's largest customers. No other single customers contributed 10% or more to the Group's revenue in current year 2022-23 and previous year 2021-22.

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(All amounts in Rs. crores, unless otherwise stated)

Note 46 - Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(i) Details of subsidiaries and associates

(a) Subsidiaries

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2023	% of Holding as at March 31, 2022
Gravita Infotech Limited	India	100.00	100.00
Noble Buildestate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal Sau	Senegal	100.00	100.00
Gravita Nicaragua SA	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc	USA	100.00	100.00
Gravita Mali SA	Mali	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Limited	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Green Recyclers Mozambique Ltd. (from November 29, 2022)	Mozambique	100.00	-
Gravita Togo Sau (from August 4, 2021)	Togo	100.00	100.00

(b) Associate

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2023	% of Holding as at March 31, 2022
Pearl Landcon Private Limited (till August 12, 2022)	India	-	25.00

(c) Partnership firms

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2023	% of Holding as at March 31, 2022
M/s Gravita Metal Inc	India	100.00	100.00
M/s Gravita Infotech	India	100.00	100.00

(d) Limited liability partnership firm

Name of the entity	Country of Incorporation	% of Holding as at March 31, 2023	% of Holding as at March 31, 2022
M/s Recycling Infotech LLP	India	100.00	100.00

(e) Trusts

Name of the entity	Country of Incorporation
Gravita Employee Welfare Trust	India

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(All amounts in Rs. crores, unless otherwise stated)

(II) Information about standalone subsidiaries/ entities consolidated
(I) For financial year 2022-23

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India limited	52.39%	308.53	50.3%	101.15	115.94%	(0.51)	50.15%	100.64
Subsidiaries								
Indian subsidiaries (ii)								
Gravita Infotech Limited*	0.29%	1.68	(0.21%)	(0.42)	(0%)	-	(0.21%)	(0.42)
M/s Gravita Infotech*	(0%)	0.02	(0.01%)	(0.01)	(0%)	-	(0.01%)	(0.01)
Noble Buildestate Private Limited*	(0%)	0.00	(0.01%)	(0.02)	(0%)	-	(0.01%)	(0.02)
M/s Gravita Metal Inc.*	0.17%	1.00	(0.06%)	(0.12)	(0%)	-	(0.06%)	(0.12)
M/s Recycling Infotech LLP*	(0%)	0.02	(0%)	(0.00)	(0%)	-	(0%)	(0.00)
Gravita Employee Welfare Trust*	(0.35%)	(2.06)	(0.37%)	(0.74)	(0%)	-	(0.37%)	(0.74)
Foreign subsidiaries								
Gravita Ghana Limited	0.14%	0.80	0.07%	0.14	78.22%	(0.34)	(0.1%)	(0.20)
Gravita Netherlands BV	11.75%	69.21	1.42%	2.85	(1633.68%)	7.19	5%	10.04
Gravita Global Pte Limited	1.73%	10.18	(0.04%)	(0.08)	(41.44%)	0.18	0.05%	0.10
Gravita Senegal SAU	8.47%	49.86	6.53%	13.12	(424.87%)	1.87	7.47%	14.99
Gravita Mali SA*	0.01%	0.07	(0%)	(0.01)	(0.99%)	0.00	(0%)	(0.00)
Gravita Nicaragua SA*	(0%)	0.00	(2.15%)	(4.33)	245.93%	(1.08)	(2.7%)	(5.42)
Navam Lanka Limited	3.2%	18.87	3.1%	6.23	(47.5%)	0.21	3.21%	6.44
Gravita Mozambique LDA	8.67%	51.05	4.38%	8.80	(587.7%)	2.59	5.68%	11.39
Gravita USA Inc	0.94%	5.53	0.23%	0.46	(92.08%)	0.41	0.43%	0.87
Gravita Jamaica Limited	(1.91%)	(11.23)	0.08%	0.15	248.19%	(1.09)	(0.47%)	(0.94)
Gravita Ventures Limited*	0.01%	0.03	(0%)	(0.00)	(0.64%)	0.00	(0%)	0.00
Recyclers Gravita Costa Rica SA	(0.38%)	(2.21)	0.19%	0.38	133.37%	(0.59)	(0.1%)	(0.20)
Gravita Tanzania Limited	10.01%	58.96	6.71%	13.49	(651.71%)	2.87	8.15%	16.36
Recyclers Ghana Limited	12.51%	73.70	22.88%	46.02	2714.98%	(11.95)	16.98%	34.07
Mozambique Recyclers LDA	5.81%	34.23	10.63%	21.38	(133.96%)	0.59	10.95%	21.97
Green Recyclers Mozambique Ltd.(From 29 November, 2022)*	0.21%	1.23	(0%)	-	1.75%	(0.01)	(0%)	(0.01)
Gravita Peru SAC (Till 03 February, 2022)*	(0%)	-	(0%)	-	(0%)	-	(0%)	-
Gravita Togo Sau (From 04 August, 2021)	(0.12%)	(0.72)	(0.42%)	(0.84)	141.34%	(0.62)	(0.73%)	(1.46)
Total		668.75		207.60		(0.28)		207.33
Adjustments arising out of consolidation	14%	79.82	3%	6.50	35.99%	0.16	3%	6.67
Sub-total (a)	1.00	588.93	1.00	201.10	1.00	(0.44)	1.00	200.66
Non - controlling interests (iii)								
Navam Lanka Limited		12.77		2.99		0.10		3.09
Sub-total (b)		12.77		2.99		0.10		3.09
Associates								
Pearl Landcon Private Limited*		0.00		(0.00)		-		(0.00)
Sub-total (c)		0.00		(0.00)		-		(0.00)
Total (a + b + c)		601.70		204.09		(0.34)		203.75

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as '0.00'.

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(All amounts in Rs. crores, unless otherwise stated)

(ii) For financial year 2021-22

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India Limited	53.74%	207.89	28.52%	39.75	(7.22%)	(0.17)	27.92%	39.58
Subsidiaries								
Indian subsidiaries[ii]								
Gravita Infotech Limited	0.54%	2.10	(0.24%)	(0.33)	-	-	(0.23%)	(0.33)
M/s Gravita Infotech	0.02%	0.07	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
Noble Buildestate Private Limited	0.01%	0.02	1.34%	1.87	-	-	1.32%	1.87
M/s Gravita Metal Inc.*	(5.4%)	(20.89)	(3.07%)	(4.28)	(0%)	-	(3.02%)	(4.28)
M/s Recycling Infotech LLP*	(0.00%)	-	(0.00%)	-	-	-	(0.00%)	-
Gravita Employee Welfare Trust	(0.34%)	(1.32)	(0.30%)	(0.42)	-	-	(0.3%)	(0.42)
Foreign subsidiaries								
Gravita Ghana Limited	0.28%	1.07	0.32%	0.45	(8.92%)	(0.21)	0.17%	0.24
Gravita Netherlands BV	15.3%	59.17	9.12%	12.71	28.02%	0.66	9.43%	13.37
Gravita Global Pte Limited	2.61%	10.08	0.28%	0.39	2.55%	0.06	0.32%	0.45
Gravita Senegal SAU	9.01%	34.87	11.59%	16.15	(26.75%)	(0.63)	10.95%	15.52
Gravita Mali SA	0.02%	0.07	1.74%	2.43	(0.42%)	(0.01)	1.71%	2.42
Gravita Nicaragua SA*	1.4%	5.42	5.87%	8.18	(0%)	-	5.77%	8.18
Navam Lanka Limited	5.67%	21.95	13.54%	18.87	(361.28%)	(8.51)	7.31%	10.36
Gravita Mozambique LDA	10.25%	39.66	1%	1.39	212.27%	5.00	4.51%	6.39
Gravita USA Inc	1.2%	4.66	0.5%	0.70	5.94%	0.14	0.59%	0.84
Gravita Jamaica Limited	(2.66%)	(10.29)	(1.08%)	(1.50)	5.94%	0.14	(0.96%)	(1.36)
Gravita Ventures Limited	0.01%	0.03	0.67%	0.93	(0.42%)	(0.01)	0.65%	0.92
Recyclers Gravita Costa Rica SA	(0.52%)	(2.01)	(0.21%)	(0.29)	4.25%	0.10	(0.13%)	(0.19)
Gravita Tanzania Limited*	11.01%	42.60	17.45%	24.32	(0%)	-	17.16%	24.32
Recyclers Ghana Limited	10.21%	39.49	23.81%	33.19	(32.69%)	(0.77)	22.87%	32.42
Mozambique Recyclers LDA	3.17%	12.26	4.53%	6.31	19.95%	0.47	4.78%	6.78
Gravita Dominican SAS (Till 6th September, 2021)*	(0%)	-	0.34%	0.48	0.42%	0.01	0.35%	0.49
Gravita Peru SAC (Till 03 February, 2022)*	(0%)	-	0.12%	0.17	2.97%	0.07	0.17%	0.24
Gravita Togo Sau (From 04 Aug, 2021)*	0.19%	0.74	(0%)	-	(0.42%)	(0.01)	(0.01%)	(0.01)
		447.64		161.46		(3.67)		157.79
Adjustments arising out of consolidation	15.71%	60.79	15.83%	22.07	(255.8%)	(6.03)	(11.32%)	(16.04)
Total (a)	100.00%	386.85	100%	139.39	100%	2.36	100%	141.75
Non-controlling Interests								
Navam Lanka Limited		14.00		9.06		(4.08)		4.98
Total (b)		14.00		9.06		(4.08)		4.98
Associates								
Pearl Landcon Private Limited*		0.00		(0.00)				(0.00)
Total (c)		0.00		(0.00)		-		(0.00)
Total (a + b + c)		400.85		148.45		(1.72)		146.73

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) total assets less total liabilities
(ii) including partnership firms, LLP and trust

(iii) Non-controlling Interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Holding Company.

The balance of non-controlling interests as at the end of the year is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Non-controlling interests[i]	12.77	14.00

(i) Gravita India Limited through its wholly owned subsidiary, Gravita Global Pte. Limited holds 52% equity stake in Navam Lanka Limited.

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(All amounts in Rs. crores, unless otherwise stated)

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The tables below provide summarised information in respect of Balance Sheet as at March 31, 2023 and March 31, 2022, Statement of Profit and Loss and Statement of cash Flows for the year ended March 31, 2023 and March 31, 2022, in respect of the above-mentioned entity:

Summarised information related to Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current assets	2.97	3.06
Current assets	17.24	28.42
Total assets	20.21	31.48
Non-current liabilities	0.67	0.68
Current liabilities	0.68	8.85
Total liabilities	1.35	9.53
Net assets	18.86	21.95
Accumulated non-controlling interest	12.77	14.00

Summarised information related to Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Income	35.65	68.35
Profit for the year	6.23	18.87
Total comprehensive income for the year	6.44	10.37

Summarised information related to cash flow Statement

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net cash flow from operating activities	0.23	7.61
Net cash used in investing activities	(0.03)	(2.95)
Net cash used in financing activities	(0.10)	(4.64)
Net increase in cash and cash equivalents during the year	0.10	0.02
Cash and cash equivalents at the beginning of the year	0.45	0.43
Cash and cash equivalents at the end of the year	0.56	0.45

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Note 47 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

(I) Name of related parties and nature of related party relationship

(a) Enterprises over which Key Managerial Personnel and/ or their relatives exercise significant influence

Name of the entity
Saurabh Farms Limited
Shah Bullion Private Limited
Jaipuria India Private Limited
Gravita Impex Private Limited
Agarwal Family Private Trust

Key Managerial Personnel and their relatives

(b) Key Management Personnel

Name	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-time director
Mr. Rajat Agrawal	Managing director
Mr. Yogesh Malhotra	Whole-time director and Chief executive officer
Mr. Sunil Kansal	Chief financial officer
Mr. Nitin Gupta	Company Secretary
Mr. Dinesh Kumar Govil	Independent director
Mr. Arun Kumar Gupta	Independent director
Mr. Chanchal Chadha Phadnis	Independent director

(c) Relatives of Key managerial personnel*

Name	Relationship
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

* with whom transactions have taken place during the current year or previous year.

(II) Detail of transaction and balance outstanding with related parties

Transactions with related parties

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Remuneration paid to key managerial personnel		
(a) Short-term benefits[(i)]		
Dr. Mahavir Prasad Agarwal	1.29	1.20
Mr. Rajat Agrawal	2.53	1.19
Mr. Yogesh Malhotra	4.00	1.92
Mr. Sunil Kansal	1.22	0.95
Mr. Nitin Gupta	0.15	0.13
(b) Post-employment benefits[(ii)]		
Dr. Mahavir Prasad Agarwal	0.09	0.06
Mr. Rajat Agrawal	0.18	0.06
Mr. Yogesh Malhotra	0.03	0.02
Mr. Sunil Kansal	0.05	0.02
Mr. Nitin Gupta*	0.01	0.00
(ii) Dividend Paid		
(a) Key managerial personnel		
Mr. Rajat Agrawal	-	0.01
Mr. Yogesh Malhotra	-	0.01
Mr. Sunil Kansal	-	0.02
Mr. Nitin Gupta		0.01
(b) Key managerial personnel		
Agarwal Family Private Trust	-	5.22
(iii) Rent expenses		
(a) Key management personnel		
Mr. Rajat Agrawal	0.42	0.40
(b) Relatives of key management personnel		
Mrs. Anchal Agrawal	0.07	0.07
(c) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.47	0.44
Shah Bullion Private Limited	0.44	0.30
Jaipuria India Private Limited	0.36	0.34

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Short-term benefits includes PAT incentive/ performance incentive paid during the current year. Further, the above short term benefits doesn't include the incentive provision related to the KMP's as the same has been provided for on group level and has not been allocated to individual employees as on balance sheet date.

(ii) Post-employment benefits does not include provisions for gratuity of Rs. 2.39 crores (previous year: Rs. 1.20 crores) and compensated absences of Rs. 0.08 crores (previous year: Rs. 0.08 crores) based on actuarial valuation report which are not further allocated on respective employees.

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GRAVITA INDIA LIMITED

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Closing balances with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Corporate guarantee taken		
(a) Enterprises having common key management personnel and/or their relatives		
Gravita Impex Private Limited	0.03	0.04
(II) Security deposits		
Anchal Agarwal	0.02	0.02
Rajat Agrawal	0.12	0.12
Saurabh Farms Limited	0.14	0.14
Shah Buildcon Private Limited	0.12	0.12
Jalouslee (India) Private Limited	0.11	0.11
(III) Remuneration payable to Key managerial personnel		
Dr. Mahavir Prasad Agrawal	0.11	0.10
Mr. Rajat Agrawal	0.23	0.11
Mr. Yogesh Malhotra	0.04	0.05
Mr. Sunil Kansal	0.04	0.03
Mr. Nitin Gupta	0.01	0.01

* Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as "0.00".
(i) Refer note 17(II) and (III) for personal guarantee given by Key managerial personnel.
(ii) Refer note 44 for Employee stock appreciation rights given to KMP's.

Note 48 - Disclosure relating to provisions recorded in these standalone financial statements pursuant to the Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision for taxes		Advance taxes		Provision for taxes (net)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Opening balance	24.45	7.35	15.17	0.33	9.28	7.02
Additions	30.81	17.10	23.50	14.87		
Utilisations/ Adjustments	3.60	-	-	0.03		
Closing Balance	51.66	24.45	38.67	15.17	12.99	9.28

Note 49 - In the opinion of Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/ expected liabilities have been made.

Note 50 - Subsequent to year end, the Subsidiary Company of the Holding Company has sold off its equity in its step down Subsidiary Company, Gravita Nicaragua SA, due to lack of growth opportunities and political instability resulting in a loss of Rs. 4.50 crores.

Note 51- As per transfer pricing legislation under section 92 - 92F of the Income -tax Act, 1961, the Group is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Group has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these consolidated financial statements.

Note 52 - Other statutory information
(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Group has not been declared wilful defaulter by any bank or financial institutions or other lenders.

(iii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Group has not traded or invested in crypto currency or virtual currency during the current and the preceding financial year.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 53 - The figures of the previous year have been regrouped/ reclassed to make them comparable with those of current year wherever considered necessary. The impact of such reclassification/regrouping is not material to the consolidated financial statements.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: May 01, 2023
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284
Date: May 01, 2023
Place: Rome, Italy

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393
Date: May 01, 2023
Place: Jaipur

Arun Kumar Gupta
Independent Director
DIN: 02749451
Date: May 01, 2023
Place: Jaipur

Sunil Kansal
Chief Financial Officer

Date: May 01, 2023
Place: Jaipur

Nitin Gupta
Company Secretary
Membership No: FCS 9984
Date: May 01, 2023
Membership No: FCS 9984

GRAVITA INDIA LIMITED

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India

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Independent Auditor's Report

To the Members of Gravita India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and an associate the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matter

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

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer note 24 to the Consolidated financial statements. The Revenues of the Group consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts. Revenue recognition process also involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of revenue recognized. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue. Considering the materiality of amounts involved and significant judgements involved, the same has been considered as a key audit matter for the current year's audit.	**Our audit work included, but was not limited to, the following procedures:** a) Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115 – Revenue from contracts with customers; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue; c) Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, customer analysis, etc.; d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents; e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards; f) Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period; g) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; h) Assessed if there is any modification to, or other impact on the contracts with customers due to COVID 19 outbreak; i) Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and

Key audit matter	How our audit addressed the key audit matter
	j) Ensured the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 115.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statement of the entities or business activities within the Group and its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

15. We did not audit the financial statements of 24 subsidiaries, whose financial statements reflects total assets of ₹ 384.59 crores and net assets of ₹ 197.90 crores as at 31 March 2022, total revenues of ₹ 890.10 crores and net cash inflows amounting to ₹ 13.48 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 0.00 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company incorporated in India whose financial statement have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies. Further, we also report that the provisions of section 197 read with Schedule V to the Act are not applicable to an associate Company incorporated in India, since such Company is not a public company as defined under section 2(71) of the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

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19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies and its associate company covered under the Act, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and an associate company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate as detailed in Note 34 to the consolidated financial statements;

ii. The Holding Company, its subsidiary companies and an associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2022 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and an associate company covered under the Act, during the year ended 31 March 2022.

iv.

a. The respective managements of the Holding Company and its subsidiary companies, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 52 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 52 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any persons or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company and its subsidiary companies during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJGQNE3213

Place: Jaipur
Date: 19 May 2022

Annexure-1

List of entities included in the Statement (in addition to the Holding Company)

Subsidiaries (including of partnership firms and trust)

Gravita Infotech Limited, Gravita Ghana Limited, Gravita Mozambique LDA, Noble Build Estate Private Limited, Gravita Global Pte Limited, Navam Lanka Limited, Gravita Netherlands BV, Gravita Senegal S.A.U, Gravita Nicaragua S.A., Gravita Jamaica Limited, Gravita Ventures Limited, Gravita USA Inc., Gravita Mali SA, Recyclers Gravita Costa Rica SA, Gravita Tanzania Limited, Recyclers Ghana Ltd., Mozambique Recyclers LDA, Gravita Dominican SAS (till 6 September 2021), Gravita Peru SAC (till 03 February 2022), M/s Gravita Metal Inc, M/s Gravita Infotech, M/s Recycling Infotech LLP, Gravita TOGO SAU (w.e.f. 04 August 2021) and Gravita Employee Welfare Trust.

Associate
Pearl Landcon Private Limited

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Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2022

Independent Auditor's report on the internal financial controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company's, its subsidiary companies and its associate company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. The audit of internal financial controls with reference to financial statements of an associate company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and

Annexure A to the Independent Auditor's Report of even date to the members of Gravita India Limited on the consolidated financial statements for the year ended 31 March 2022 (Cont'd)

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company's and its subsidiary companies, which are companies covered under the Act, covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matters

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 4.20 crores and net assets of ₹ 2.12 crores as at 31 March 2022, total revenues of ₹ (0.22) crores and net cash inflows amounting to ₹ 1.98 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJGQNE3213

Place: Jaipur
Date: 19 May 2022

Gravita India Limited
Consolidated Balance Sheet as at March 31, 2022
(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current assets			
Property, plant and equipment	2	183.65	161.41
Capital work-in-progress	3	42.49	13.49
Right-of-use assets	4	7.34	10.57
Other intangible assets	5	0.27	0.39
Financial assets			
- Investments*	6	0.00	0.00
- Other financial assets	8	3.10	3.42
Non-current tax assets (net)	9(a)	0.23	0.11
Other non current assets	10	8.22	6.29
Total non-current assets		245.30	195.68
Current assets			
Inventories	11	513.45	357.70
Financial assets			
- Trade receivables	12	109.65	59.38
- Cash and cash equivalents	13	23.42	11.32
- Bank balances other than cash and cash equivalents	14	9.10	8.54
- Loans	7	1.84	2.12
- Other financial assets	8	20.00	23.93
Current tax assets (net)	9(a)	1.41	0.23
Other current assets	10	73.33	67.43
Total current assets		752.20	530.65
TOTAL ASSETS		997.50	726.33
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	13.81	13.81
Other equity	16	373.04	255.12
Equity attributable to owners of the Holding Company		386.85	268.93
Non-controlling interests		14.00	9.02
Total equity		400.85	277.95
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	109.53	51.24
- Lease liabilities	18	3.15	3.24
- Other financial liabilities	19	4.73	-
Provisions	20	9.08	4.47
Deferred tax liabilities (net)	21	1.50	2.41
Other non current liabilities	22	0.16	0.18
Total non-current liabilities		128.15	61.54
Current liabilities			
Financial liabilities			
- Borrowings	17	277.89	204.93
- Lease liabilities	18	0.55	1.68
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	1.08	0.30
Total outstanding dues of creditors other than micro enterprises and small enterprises		76.14	135.19
- Other financial liabilities	19	87.00	23.80
Other current liabilities	22	15.64	13.79
Provisions	20	0.92	0.48
Current tax liabilities (net)	9(b)	9.28	6.67
Total current liabilities		468.50	386.84
Total liabilities		596.65	448.38
TOTAL EQUITY AND LIABILITIES		997.50	726.33

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Date: May 19, 2022
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

GRAVITA INDIA LIMITED

Date: May 19, 2022
Place: Jaipur

Gravita India Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

	Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I	**Income**			
	Revenue from operations	24	2,215.87	1,409.75
	Other income	25	7.84	7.17
	Total income (I)		**2,223.71**	**1,416.92**
II	**Expenses**			
	Cost of materials consumed	26	1,753.92	1,206.46
	Purchases of traded goods	27	44.20	8.43
	Changes in inventories of finished goods, work-in-progress and traded goods	28	(54.59)	(82.48)
	Employee benefits expense	29	102.75	72.90
	Finance costs	30	33.55	27.87
	Depreciation and amortisation expense	31	20.56	20.30
	Other expenses	32	158.68	92.53
	Total expenses (II)		**2,059.07**	**1,346.01**
III	**Profit before tax and share of (loss) in associate (I - II)**		**164.64**	**70.91**
IV	Share of (loss) of associate*		(0.00)	(0.01)
V	**Profit before tax (III + IV)**		**164.64**	**70.90**
VI	**Tax expense**	33		
	- Current tax (including earlier years)		16.18	15.08
	- Deferred tax charge/ (credit)		0.01	(1.00)
	Total tax expense		**16.19**	**14.08**
VII	**Profit for the year (V - VI)**		**148.45**	**56.82**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		0.05	(0.04)
	Income tax on above items		(0.02)	0.01
	Items that will be reclassified to profit or loss			
	Foreign currency translation reserve		(2.38)	1.82
	Change in fair value of hedging instruments		(0.31)	0.51
	Income tax on above items		0.94	(0.81)
	Total other comprehensive (loss)/ income, net of tax		**(1.72)**	**1.49**
IX	**Total comprehensive income for the year (VII + VIII)**		**146.73**	**58.31**
	Profit for the year attributable to			
	- Owners of the Holding Company		139.39	52.47
	- Non-controlling interests		9.06	4.35
	Other comprehensive income for the year attributable to			
	- Owners of the Holding Company		2.36	2.01
	- Non-controlling interests		(4.08)	(0.52)
	Total comprehensive income for the year attributable to			
	- Owners of the Holding Company		141.75	54.48
	- Non-controlling interests		4.98	3.83
X	**Earnings per share**	36		
	Basic (Rs.)		20.60	7.72
	Diluted (Rs.)		20.60	7.72

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Date: May 19, 2022
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

GRAVITA INDIA LIMITED

Date: May 19, 2022
Place: Jaipur

Gravita India Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2022
(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

(a) Equity share capital (refer note 15)

Particulars	Balance as at April 1, 2020	Changes during the FY 20-21	Balance as at March 31, 2021	Changes during the FY 21-22	Balance as at March 31, 2022
Equity share capital	13.81	-	13.81	-	13.81

(b) Other equity (refer note 16)

Particulars	Attributable to owners of the holding company								Non -controlling interests	Total
	Reserves and surplus									
	Securities premium	General reserve	Retained earnings	Cash flow hedging reserve	Legal reserve	Treasury shares	Foreign currency translation reserve	Total		
Balance as at April 1, 2020	42.70	5.18	165.17	(0.52)	0.63	(4.55)	2.76	211.37	5.19	216.56
Profit for the year	-	-	52.47	-	-	-	-	52.47	4.35	56.82
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	(0.03)	-	-	-	-	(0.03)	-	(0.03)
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	0.33	-	-	-	0.33	-	0.33
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	1.71	1.71	(0.52)	1.19
Total comprehensive income for the year	-	-	52.44	0.33	-	-	1.71	54.48	3.83	58.31
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	(7.44)	-	-	-	-	(7.44)	-	(7.44)
Acquisition of treasury shares	-	-	-	-	-	(3.29)	-	(3.29)	-	(3.29)
Balance as at March 31, 2021	42.70	5.18	210.17	(0.19)	0.63	(7.84)	4.47	255.12	9.02	264.14
Profit for the year	-	-	139.39	-	-	-	-	139.39	9.06	148.45
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	0.03	-	-	-	-	0.03	-	0.03
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	(0.20)	-	-	-	(0.20)	-	(0.20)
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	2.53	2.53	(4.08)	(1.55)
Total comprehensive income for the year	-	-	139.42	(0.20)	-	-	2.53	141.75	4.98	146.73
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	(23.83)	-	-	-	-	(23.83)	-	(23.83)
Balance as at March 31, 2022	42.70	5.18	325.76	(0.39)	0.63	(7.84)	7.00	373.04	14.00	387.04

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date: May 19, 2022
Place: Jaipur

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

GRAVITA INDIA LIMITED

Gravita India Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2022
(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	164.64	70.90
Adjustments for:		
Depreciation and amortisation expense	20.56	20.30
Loss on disposal/discard of property, plant and equipment	2.13	6.27
Share of loss of associates*	0.00	0.01
Finance cost	33.55	27.87
Incentive income	(0.04)	(1.92)
Interest income on bank deposits	(0.40)	(0.43)
Interest income on others	(0.48)	(0.39)
Liabilities / provisions no longer required written back	(0.81)	(0.36)
Allowance for expected credit loss on financial assets (including write off)	2.57	-
Unrealised loss/ (gain) on derivatives measured at fair value through profit and loss	4.70	(4.01)
Employee stock appreciation rights expenses	4.73	-
Operating profit before working capital changes	231.15	118.24
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(155.75)	(133.34)
Trade receivables	(51.36)	8.31
Other current and non-current assets	(7.83)	19.79
Other current financial assets	3.03	(6.26)
Adjustments for changes in operating liabilities:		
Trade payables	(59.84)	85.40
Other current and non current financial liabilities	58.51	(12.32)
Other current and non current liabilities	1.87	7.79
Provisions	5.10	0.42
Cash generated from operations	24.87	88.03
Income taxes paid (net of refund)	(14.87)	(11.52)
Net cash flow generated from operating activities (A)	10.00	76.51
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(72.80)	(21.28)
Interest received	0.88	0.75
Movement in bank balances not considered as cash and cash equivalents (net)	(0.56)	1.11
Proceeds from sale of property, plant and equipment	2.60	0.07
Net cash (used in) investing activities (B)	(69.88)	(19.35)

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Gravita India Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2022
(All amounts in Rs. crores, unless otherwise stated)

Particulars	Current year ended March 31, 2022	Previous year ended March 31, 2021
C. Cash flow from financing activities		
Proceeds from non-current borrowings	103.69	34.03
Repayment of non-current borrowings	(44.78)	(26.07)
Proceeds from/(repayment) of current borrowings (net)	72.65	(24.21)
Acquisition of treasury shares	-	(3.29)
Payment of lease liabilities	(2.19)	(3.01)
Finance cost paid (excluding in relation to lease liabilities)	(33.56)	(26.52)
Dividends paid	(23.83)	(7.44)
Net cash generated from/(used in) financing activities (C)	**71.98**	**(56.51)**
Net increase in cash and cash equivalents (A+B+C)	**12.10**	**0.65**
Cash and cash equivalents at the beginning of the year	11.32	10.67
Cash and cash equivalents at the end of the year (refer note 13)	**23.42**	**11.32**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The above Consolidated Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash flow'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Date: May 19, 2022
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Office

Nitin Gupta
Company Secretary
Membership No: FCS 9984

GRAVITA INDIA LIMITED

Date: May 19, 2022
Place: Jaipur

GRAVITA

Note 1 - Corporate Information, statement of compliance with Ind AS, basis of preparation and summary of significant accounting policies

(A) Corporate Information

Gravita India Limited (the 'Holding Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956 applicable in India. The Holding Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Holding Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Gujarat, Chittoor (Andhra Pradesh), Kathua (Jammu and Kashmir), Mirigama (Sri Lanka), Mozambique, Tanzania, Ghana and Senegal (East Africa).etc. Gravita India Limited together with its subsidiaries and an associate is hereinafter referred to as "Group".

The Principal activities of the Group are - Lead processing, aluminium processing, trade (Lead products and aluminium scrap) and dealing in Turn-key lead recycling projects. The Holding Company carries out smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. Further, Holding Company has also entered in the PET product manufacturing.

The consolidated financial statements are presented in Rs. Crores, which is also the functional currency of the Holding Company.

These consolidated financial statements for the year ended March 31, 2022 are approved and adopted by the Board of Directors in their meeting held on May 19, 2022. The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

(B) Statement of compliance with Ind AS and basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and other related provisions of the act.

The consolidated financial statements have been prepared on accrual and going concern basis. The Group has uniformly applied the accounting policies during the period presented in the consolidated financial statements.

The consolidated financial statements have been prepared under historical cost convention basis except for the following -

- Certain financial assets which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations; and
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(C) Basis of consolidation

Subsidiaries

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 to direct the relevant activities of 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. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2022.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associate are eliminated to the extent of the Group's interest in these entities.

(D) Significant accounting policies

I. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

GRAVITA

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

II. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition or construction. Following initial recognition, property plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method computed on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. The following useful life of assets has been taken by the Group:

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	4 - 20 years
Furniture and fixtures	4 - 10 years
Vehicles	3 - 10 years
Computer and accessories	2 - 10 years
Office equipment	4 - 10 years

Freehold land is measured at cost and is not depreciated.

GRAVITA INDIA LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Property, plant and equipment costing upto Rs. 5,000 each are fully depreciated in the year of purchase. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

iii. **Intangible assets**

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation and useful lives)

All finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	3 - 5 years

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

IV. Impairment of non financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

V. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

VI. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost is as follows:

Nature of inventories	Method of valuation
Raw materials	Moving weighted average method
Stores and spares and consumables	Moving weighted average method
Finished goods and work-in-progress	Raw material cost on moving weighted average method and includes conversion and other costs incurred in bringing the inventories to their present value and locations
Traded goods	Moving weighted average method
By-products/ scrap	Estimated net realisable value

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Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

Stock in transit is valued at lower of cost and net realisable value.

VII. Foreign Currency transactions and translations

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rs.) and are rounded to two decimal places of lacs, which is also the Holding Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Translation of foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date and the equity is translated at historical rate. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the Statement of Profit or Loss and are recognized as part of the gain or loss on disposal.

VIII. Leases

The group considers whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is the lessee

The Group's lease asset classes primarily consist of leases for land, buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset;

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and

(iii) the Group has the right to direct the use of the asset.

The Group at the commencement of the lease contract recognizes a right-of-use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, if any. The right-of-use asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

IX. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

X. Revenue Recognition

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Sale of products (including scrap sales and service Income):

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts are recognised in Statement of Profit and Loss on completion of performance obligation.

Revenue is measured at fair value of consideration received or receivables and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year.

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The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.
The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Interest Income:
Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Job Work Income:
Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Export Incentive:
Income from export incentives such as duty drawback, remission of duties and taxes on export products (RoDTEP) are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Dividend income:
Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

XI. Operating expenses

Operating expenses are recognised in statement of profit and loss upon utilisation of the service or as incurred.

XII. Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Holding Company are recorded separately within equity.

XIII. Qualified Institutional Placement related transaction costs

The expenses pertaining to qualified institutional placement ("QIP") includes expenses pertaining to issue of equity shares in the Holding Company, has been accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares has been deferred until successful consummation of QIP upon which it shall be deducted from equity;

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- Incremental costs that are directly attributable to issuing new shares, where issue has been abandoned has been recorded as an expense in the statement of profit and loss; and
- Incremental costs that are not directly attributable to issuing new shares, has been recorded as an expense in the statement of profit and loss as and when incurred.

XIV. Financial Instruments

Initial measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

a. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts, if any etc.

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b. Financial assets at fair value

- **Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

- **Investments in equity instruments (other than subsidiaries/ associates)**– All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss account, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss account.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the Statement of Profit and Loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

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

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Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

Offsetting of financial instruments

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

XV Hedge accounting

The Group designates non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable forecasted transactions and accordingly, applies cash flow hedge accounting for such relationships. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity until the forecast transaction occurs or the foreign currency firm commitment is met.

XVI. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

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ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the Expected Credit Losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on Group's historical collection experience for customers and forecast of macro-economic factors.

The Group defines default as an event when the financial asset is past due for more than 180 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

The Group writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

XVII. **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

XVIII. **Post-employment, long term and short term employee benefits**

The Group provides post-employment benefits through various defined contribution and defined benefit plans

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Defined Contribution plan

The Group makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Defined benefit plan

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and are not reclassified to profit or loss.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Short term employee benefit

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

XIX. Share based payments

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered, under "Gravita Stock Appreciation Rights Scheme 2017".

Cash settled share-based payments

The Group has formed Gravita Employee Welfare Trust, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust buy shares of the Holding Company from the market, for granting them to its employees and are treated as treasury shares. Own equity instruments ('treasury shares") which are reacquired through Gravita Employee Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instrument.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

XX. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

XXI. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

XXII. Taxes

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or

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substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Group will pay normal income tax during the specified period.

XXIII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

XXIV. Dividend payment

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the Board of directors.

XXV. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the Board of Directors which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs:

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items:

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue, expenses, assets and liabilities.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

XXVI. Government grants

Income includes export and other recurring and non-recurring incentives from Government (referred as "incentives'). Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. The Group is entitled to subsidies from government in respect of manufacturing units located in specified regions.

Government grants are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as income in the period in which the grant is received. Government grant in form of subsidy for unit at Chittoor, Andhra Pradesh is awarded as incentive to the Holding Company, and is recognised as income in the period in which the grant is accrued.

XXVII. Use of estimates and judgement

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the consolidated financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. **Useful lives of depreciable/ amortisable assets:** Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

b. **Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. **Allowance for expected credit loss:** The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

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d. **Allowance for obsolete and slow moving inventory:** The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the consolidated financial statements.

e. **Contingent liabilities:** The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated.

f. **Provisions:** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

g. **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

h. **Income Taxes:** Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 33). The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

i. **Defined benefit obligations (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

j. **Fair value measurements:** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to consolidated financial statements.

k. Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

XXVIII. Recent accounting pronouncements:

(a) Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorised, have been considered in preparing these consolidated financial statements.

(b) Recent accounting pronouncements

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments mentioned above are extensive and the Group will evaluate the same to give effect to them as required by law.

(All amounts in Rs. crores, unless otherwise stated)

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Note 2 - Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
As at April 1, 2020	10.91	75.29	97.89	6.39	1.25	2.78	9.95	204.45
Additions during the year	0.82	2.34	12.36	0.41	0.18	0.08	4.39	20.58
Disposals/ adjustments	-	(0.81)	(8.41)	(0.16)	(0.04)	(0.03)	(0.68)	(10.13)
Foreign currency translation differences	(0.13)	(0.94)	(2.56)	(0.03)	(0.01)	0.04	(0.09)	(3.72)
As at March 31, 2021	11.60	75.88	99.28	6.61	1.38	2.87	13.57	211.18
Additions during the year	4.88	12.23	21.49	2.05	0.55	0.17	3.94	45.31
Disposals/ adjustments*	-	(0.54)	(2.51)	(0.06)	(0.02)	-	(0.48)	(3.61)
Foreign currency translation differences	(0.01)	(1.08)	(2.28)	(0.12)	(0.01)	(0.02)	(0.23)	(3.75)
As at March 31, 2022	16.47	86.49	115.98	8.48	1.90	3.02	16.80	249.13
Accumulated depreciation								
As at April 1, 2020	-	6.21	21.86	1.97	0.93	0.66	4.18	35.81
Charge for the year	-	2.92	11.88	1.11	0.15	0.32	1.46	17.84
Disposals/ adjustments	-	(0.09)	(2.57)	(0.08)	(0.04)	(0.01)	(0.22)	(3.01)
Foreign currency translation differences*	-	(0.06)	(0.69)	(0.01)	-	-	(0.11)	(0.87)
As at March 31, 2021	-	8.98	30.48	2.99	1.04	0.97	5.31	49.77
Charge for the year	-	3.06	11.59	1.63	0.17	0.32	1.82	18.59
Disposals/ adjustments	-	(0.02)	(0.86)	(0.04)	(0.01)	-	(0.17)	(1.10)
Foreign currency translation differences*	-	(0.26)	(1.32)	(0.12)	-	(0.02)	(0.05)	(1.77)
As at March 31, 2022	-	11.76	39.89	4.46	1.20	1.27	6.91	65.49
Net carrying value								
As at March 31, 2021	11.60	66.90	68.80	3.62	0.34	1.90	8.26	161.41
As at March 31, 2022	16.47	74.73	76.09	4.02	0.70	1.75	9.89	183.65

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.

(ii) Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3 - Capital work-in-progress

Particulars	Balance as at April 1, 2020	Movement during the year	Balance as at March 31, 2021	Movement during the year	Balance as at March 31, 2022
Capital work-in-progress	14.64	(1.15)	13.49	29.00	42.49

(i) Ageing schedule of capital work-in-progess is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Project in Progress	42.49	-	-	-	42.49
Project temporarily suspend	-	-	-	-	-
Total	42.49	-	-	-	42.49
As at 31 March 2021					
Project in Progress	13.49	-	-	-	13.49
Project temporarily suspend	-	-	-	-	-
Total	13.49	-	-	-	13.49

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.

(iii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 4 - Right-of-use assets

Particulars	Land	Buildings	Plant and machinery	Total
Gross carrying amount				
As at April 1, 2020	9.22	4.01	1.82	15.05
Additions during the year	0.10	0.41	-	0.51
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences	(0.04)	(0.19)	-	(0.23)
As at March 31, 2021	9.28	4.23	1.82	15.33
Additions during the year*	0.00	1.03	-	1.04
Disposals/ adjustments	(1.82)	-	-	(1.82)
Foreign currency translation differences	(0.16)	(0.62)	-	(0.78)
As at March 31, 2022	7.30	4.64	1.82	13.77
Accumulated depreciation				
As at April 1, 2020	0.32	1.75	0.54	2.61
Charge for the year	0.34	1.33	0.54	2.21
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences*	-	(0.06)	-	(0.06)
As at March 31, 2021	0.66	3.02	1.08	4.76
Charge for the year	0.28	0.97	0.53	1.78
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences*	(0.01)	(0.10)	-	(0.11)
As at March 31, 2022	0.93	3.89	1.61	6.43
Net carrying value				
As at March 31, 2021	8.62	1.21	0.74	10.57
As at March 31, 2022	6.37	0.75	0.21	7.34

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(ii) Also, refer note 18 for detailed disclosures related to Ind AS 116 'Leases'.

Note 5 - Other intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at April 1, 2020	2.00	2.00
Additions during the year	0.10	0.10
Disposals/ adjustments	(0.07)	(0.07)
Foreign currency translation differences*	0.00	0.00
As at March 31, 2021	2.03	2.03
Additions during the year	0.07	0.07
Disposals/ adjustments	-	-
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	2.10	2.10
Accumulated amortisation		
As at April 1, 2020	1.44	1.44
Charge for the year	0.26	0.26
Disposals/ adjustments	(0.06)	(0.06)
Foreign currency translation differences*	0.00	0.00
As at March 31, 2021	1.64	1.64
Charge for the year	0.19	0.19
Disposals/ adjustments	-	-
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	1.83	1.83
Net carrying value		
As at March 31, 2021	0.39	0.39
As at March 31, 2022	0.27	0.27

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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(All amounts in Rs. crores, unless otherwise stated)

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Note 6 - Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Non current investment		
Investment in equity shares of associate (unquoted) (Considered at cost)		
Pearl Landcon Private Limited*		
Share of face value of Rs. 10 each (previous year: Rs.10 each)	0.00	0.00
Profit share from associate accounted through equity method	0.00	0.00
Total (a)	0.00	0.00
Investment in government securities (unquoted) (carried at amortised cost)		
National saving certificate*	0.00	0.00
Total (b)	0.00	0.00
Total non-current investments (C) = (a + b)	0.00	0.00
Aggregate amount of unquoted investments	0.00	0.00

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 7 - Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Current (unsecured, considered good)		
Loans given	1.84	2.12
Total	1.84	2.12

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on current loans.

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 8 - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deposits with bank (with remaining maturity more than 12 months)[i]	0.34	0.09
Security Deposits (unsecured, considered good)	2.76	3.33
Total	3.10	3.42
Current-(unsecured, considered good)		
Derivatives designated at fair value through profit or loss		
- For forward contracts[iv]	1.32	4.76
Incentive receivable from Government	17.59	17.59
Security Deposits	0.90	0.66
Other recoverable	0.19	0.92
Total	20.00	23.93

(i) Represents lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

(ii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(iv) Details of balance against derivative contracts:

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	0.62	0.74
Effect of mark-to-market on open contracts	0.70	4.02
Total	1.32	4.76

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(All amounts in Rs. crores, unless otherwise stated)

Note 9(a) Tax assets

Non current tax assets	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provisions)	0.23	0.11
Total	0.23	0.11

Current tax assets	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provisions)	1.41	0.23
Total	1.41	0.23

Note 9(b) Current tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	9.28	6.67
Total	9.28	6.67

Note 10 - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current (Unsecured, considered good)		
Capital advances	5.21	4.14
Prepaid expenses	0.02	0.08
Balance with government authorities	2.99	2.07
Total	8.22	6.29
Current (Unsecured, considered good)		
Advances to vendors	46.75	49.58
Advances to employees	2.92	2.09
Prepaid expenses	3.01	1.66
Balance with government authorities	20.65	14.10
Total	73.33	67.43

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on other current assets.

Note 11 - Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	125.15	100.06
Raw materials -in-transit	111.85	54.84
Work-in-progress	112.37	89.46
Finished goods (other than those acquired for trading)	72.50	34.86
Finished goods -in-transit	47.37	56.79
Traded goods	4.28	0.82
Stores and spares	26.69	15.09
Consumables	13.24	5.78
Total	513.45	357.70

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on inventories.

Note 12 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Trade receivables - considered good	109.65	59.38
Trade receivables - credit impaired	3.32	2.24
Less: allowance for expected credit losses	(3.32)	(2.24)
Total	109.65	59.38

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Trade Receivables Ageing Schedule

As at March 31, 2022	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	73.38	34.76	0.51	0.77	0.23	-	109.65
(ii) Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	0.31	0.77	0.30	-	1.38
(iv) Disputed trade receivables-Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	0.40	1.54	1.94

Trade Receivables Ageing Schedule

As at March 31, 2021	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	37.34	21.34	-	0.70	-	-	59.38
(ii) Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired*	-	-	0.30	0.00	-	-	0.30
(iv) Disputed trade receivables-Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	0.40	0.18	1.36	1.94

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on trade receivables

(ii) Refer note 41 for disclosure of fair values in respect of financial assets measured at amortised cost.

(iii) Refer note 42 for details of expected credit loss for trade receivables under simplified approach.

(iv) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Note 13 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	18.87	8.11
Cash on hand	0.96	0.50
Cheques on hand	3.59	2.71
Total	23.42	11.32

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on cash and cash equivalents

Note 14 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks in current accounts		
- Unclaimed dividend account(i)	0.06	0.06
Balance held as margin money against borrowings (with original maturity more than 3 months but remaining maturity less than 12 months)(ii)	5.59	5.95
Deposits with banks (with original maturity more than 3 months but remaining maturity less than 12 months)	3.45	2.53
Total	9.10	8.54

(i) These balances are not available for use by the Group and corresponding balance is disclosed as unclaimed dividend under the head "Other current financial liabilities".

(ii) Includes interest accrued but not due amounting to Rs. 0.04 crores (Previous year: Rs. 0.04 crores)

(iii) Refer note 17 for hypothecation as securities with bank/ financial institutions on bank balances other than cash and cash equivalents.

(iv) Refer note 34 for fixed deposits given as bank guarantees.

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Note 15 Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 2 each	85,000,000	17.00	75,000,000	15.00
	85,000,000	17.00	75,000,000	15.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 2 each	69,037,914	13.81	69,037,914	13.81
Total	69,037,914	13.81	68,746,714	13.81

(a) Changes in equity share capital during the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance as at the beginning of the year	69,037,914	13.81	69,037,914	13.81
Closing at the end of the year	69,037,914	13.81	69,037,914	13.81

(b) Terms/ rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a face value of Rs. 2 per share. Each equity shareholder is entitled to one vote per share held. The Holding Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholder holding more than 5 percent shares*

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights				
Mr. Rajat Agrawal	33,049,789	47.87%	33,049,265	47.87%
Agrawal Family Private Trust	17,348,025	25.13%	17,348,025	25.13%

* As per records of the holding company, including its register of members.

(d) During the five years immediately preceding March 31, 2022, the Holding Company has neither allotted any bonus shares nor have any shares been bought back.

(e) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(f) Dividend

The Board of Directors of the Holding Comapny, in its meeting held on January 29 2022, had recommended an interim dividend of Rs 3.00 per equity share (Previous Year 1.10) of Rs. 2 each amounting to Rs. 20.32 crores (Previous Year 7.44 crores) for the financial year ended March 31, 2022, which was transferred to a separate bank account on February 2, 2022, has been paid during the quarter ended March 31, 2022. The interim dividend stated above does not include amount paid to Gravita employee welfare trust by the Holding Company.

(g) Details of equity shares held by Promoters in the holding company as at the end of year :

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Rajat Agrawal*	33,049,789	47.87%	0.00%	33,049,265	47.87%	-
Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	17,348,025	25.13%	-	17,348,025	25.13%	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

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(All amounts in Rs. crores, unless otherwise stated)

Note 16 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Securities premium	42.70	42.70
General reserve	5.18	5.18
Retained earnings	325.76	210.17
Cash flow hedging reserve	(0.39)	(0.19)
Legal reserve	0.63	0.63
Treasury shares	(7.84)	(7.84)
Foreign currency translation reserve	7.00	4.47
Total	373.04	255.12

Description of nature and purpose of each reserve

Security premium

The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

General reserve

The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings represents surplus in Statement of Profit and Loss.

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Foreign currency translation reserve

The Group recognises exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in foreign currency translation reserve in other equity. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Statement of Profit and Loss on disposal of foreign operation.

Treasury shares

Treasury shares represent Holding Company's own equity shares held by the Gravita Employee Welfare Trust [a trust set up for administration of Stock Appreciation Rights Scheme 2017 of the Holding Company].

Legal reserve

Gravita Mozambique LDA (step-down subsidiary of the Holding Company) has created a legal reserve of 5% of the profits of the accounting year. The reserve balance at any time shall not exceed 20% of the share capital of Gravita Mozambique LDA.

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Note 17 - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowings		
Secured		
Term loans		
- From banks	86.64	53.97
- from institutions other than banks	52.50	24.91
Vehicle Loan	4.54	3.22
Less: Loan processing fees	(1.49)	(1.24)
	142.19	80.86
Less: Current maturities of non-current borrowings disclosed under current borrowings	(32.66)	(29.62)
Total	109.53	51.24
Current borrowings		
Secured loans - from banks		
Cash credit / overdraft	96.58	40.22
Packing credit	54.50	81.36
Buyers credit	7.13	22.24
Suppliers credit	-	1.51
Working capital demand loan	62.82	29.98
Current maturities of non-current borrowings	32.66	29.62
Unsecured - from other parties		
Short term facility	24.20	-
Total	277.89	204.93

i There is no default in repayment of principal repayment or interest thereon.

ii **Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:**

1) Vehicle loans

Vehicle loan from banks of Rs. 4.54 crores (March 31, 2021: Rs. 3.22 crores) carry interest ranging from 6.55% p.a. to 8.50% p.a. (Previous year: 4.63% p.a. to 9.90% p.a.) The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 31 to 84 months.

2) Term loans from bank

A ICICI Term Loan of Rs. 8.58 crores (March 31, 2021: Rs. 13.07 crores) @ 4.47% p.a. (Previous year: 4.47% p.a.). The loan is repayable in 16 quarterly installments commencing from February 2020 and ending in November 2023. The loan is secured by way of following:

1 Exclusive charge on Industrial Land, Building and Other Assets located at Plot No. PA-011-006,SEZ, Village kalwara, Tehsil Sanganer, Jaipur of the Holding Company.

2 Personal guarantee of Managing Director Mr. Rajat Agrawal.

B PNB Term Loan of Rs. 0.44 crores (March 31, 2021: Rs. 0.41 crores) @ 9.15% p.a. (Previous year: 9.45% p.a. to 10.30% p.a.). The loan is repayable in 22 quarterly installments commencing from October 2017 and ending in January 2023.
The loan is secured by way of following:

1 First pari-passu charge on the entire block assets present and future of the Chittoor plant.

2 Second pari-passu charge on following Immovable Properties:
-Land and Building at Jaychand Ka Bas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Kasara no. 209/1/5/3, 209/1/4/1, 209/1/5/1 and 209/1/5/2.
-Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur
-Residential Land & H No. 3/90, Mansarovar, Jaipur

3 Personal guarantee of Managing Director Mr. Rajat Agrawal.

4 Corporate guarantee of M/s Gravita Impex Private Limited (Related Party).

C Bandhan Bank Term Loan of Rs. Nil (March 31, 2021: Rs. 7.32 crores @ 10.50% p.a.). The loan was repayable in 48 monthly installments commencing from March 2020 and ending in February 2024 but the same has been Prepaid in March 2022.
The loan was secured by way of following:

1 First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

2 First Pari-passu charge by way of mortgage over moveable industrial property in the name of Company situated at situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

3 Personal guarantee of Managing Director Mr. Rajat Agrawal.

D Bandhan Bank Term Loan of Rs. Nil (March 31, 2021: Rs. 7.71 crores @ 10.50% p.a.) .The loan is repayable in 48 monthly instalments commencing from May 2020 and ending in March 2024. The said loan was Pre Paid in FY21-22.The loan is secured by way of following:

1 First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

2 First Pari-passu charge by way of mortgage over movable industrial property in the name of Company situated at situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

3 Personal guarantee of Managing Director Mr. Rajat Agrawal.

E Covid Loan of Rs. 3.14 crores (March 31, 2021: Rs 16.54 crores @ 6.90% p.a. to 8.00% p.a.) @ 6.90% p.a. to 8.00% p.a. The loan is for 24 months with 6 month moratorium and repayable in 18 monthly installments commencing from January 2021. The loan will be secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

F GECL Loan of Rs. 31.35 crores (March 31, 2021: Rs 8.92 crores @ 8.35% p.a.) @ 7.65% to 8.35% p.a. The loan is for 60 months with 12 months moratorium and repayable in 48 monthly installments commencing from January 2022 and ending in August 2026. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

G GECL Loan of Rs. 7.45 crores (March 31, 2021: Rs Nil) @ 7.25% to 8.24% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from April 2024 and ending in March 2028. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

H GECL Loan of Rs. 4.40 crores (March 31, 2021: Rs Nil) @ 8.25% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from January 2024 and ending in December 2027. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

I Term Loan of Rs. 31.28 crores (March 31, 2021: Nil) @ 8.50% p.a.. The loan is for 60 months with 12 month moratorium and repayable in 16 Quarterly installments commencing from December 2022 and ending in September 2026. The loan will be secured over the fixed assets of Mundra Plant Situated at Survey no.43.Near National highway no. 8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujarat).

3) Term loans from institutions other than banks

A TATA Term Loan of Rs. 16.31 crores (March 31, 2021: Rs. 9.47 crores) @ 8.75% p.a. (Previous year: 10.50% p.a.). The loan is repayable in 60 monthly installments commencing from February 2020 and ending in December 2025. The loan is secured by way of following:

1. First Pari-passu charge shared by ICICI Bank by way of Hypothecation over moveable fixed assets of Borrower and at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.
2. First Pari passu Charge shared by ICICI Bank by way of mortgage over industrial property situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.
3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

B. Bajaj Term Loan of Rs. 4.00 crores (March 31, 2021: Rs. 5.60 crores) @ 10.15% p.a. (Previous year: 10.00% p.a. to 10.15% p.a.). The loan is repayable in 60 monthly installments commencing from October 2019 and ending in September 2024.The loan will be further secured by way of following:

1. Personal guarantee of Managing Director Mr. Rajat Agrawal.
2. First pari-passu charge over land and building of the company situated at Phagi Jaipur.
3. Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.

C. Bajaj Term Loan of Rs. 32.19 crores (March 31, 2021: Rs. 9.84 crores) @ 7.90% to 9.00% p.a. (Previous year: 9% p.a.). The loan is repayable in 60 monthly installments commencing from March 2021 and ending in February 2027. The loan will be secured by way of following:

1. First pari-passu charge on the entire block of fixed assets present and future of the Chittoor plant.
2. Personal guarantee of Managing Director Mr. Rajat Agrawal.

iii. Security disclosure for the outstanding current borrowings are as follows:

Loans from banks are secured by way of:

1. First pari-passu charge over the entire current assets of the GIL including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc and book debts (both present and future).
2. Hypothecation of receivables and all kind of stocks of raw material, semi finished goods, finished goods consumables including stocks in transit in the name of M/s Gravita Metal Inc.
3. First pari-passu charge on the entire fixed assets of the Company both present and future, excluding, vehicles, Assets situated at Plot No. P.A. 011-006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, Assets of Survey no. 233/15 to 233/30, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, Assets situated at Survey no.43.Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujrat) and Flat no.402, Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
   but including the following:
   -Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
   -Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur.
4. First pari-passu charge on Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party).
   and Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.
5. Personal guarantee of Managing Director Mr. Rajat Agrawal.
6. Corporate guarantee of M/s Gravita Impex Private Limited (related party).
7. Second pari passu charge on the fixed assets of Chittoor Plant.
8. Corporate guarantee of M/s Noble Buildestate Private Limited (related party).
9. Land and building situated at B-11A, Malviya Industrial area, Jaipur of Noble Buildestate Private Limited.
10. Mortgage of Lease hold rights of factory land measuring 2.50 kanals, bearing plot no 25 & 26, situated at SICOP, Industrial Area, Kathua (J&K) in the name of M/s Gravita Metal Inc.
11. Hypothecation of Plant and Machinery and other fixed assets of the M/s Gravita Metal Inc. (present & future) situated at SICOP, Industrial Area, Kathua (J&K)
12. Mortgage of Flat along with Furniture Fiztures bearing No. 102, Rajputana Tower A-27B Shanti Path Tilak Nagar Jaipur standing in the name of Gravita Infotech Limited.

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13. Primary Mortgage over stock in trade, book debts, leasehold land, immovable plant and machinery situated at Plot No.27 A, Mirigama EPZ, Mirigama, Sri Lanka in the name of Navan Lanka Limited.
14. Charge over Fixed and floating assets and Real Property owned by Recycler Ghana Limited.
15. First ranking legal mortgage over the charge Right entered between the EPZA and Gravita Tanzania Limited (The Derivative Right) at Plot No. 7, Block "A", Zegereni, Kibaha Township, Tanzania.
16. First ranking debenture over all assets of the Gravita Tanzania Limited.
17. Director's Guarantee and indemnity executed by Manesh Kumar Jangir and Surendra Singh Hada.
18. Corporate guranatee of Gravita India Limited and Gravita Infotech Limted.
19. Corporate guarantee of Gravita Netherlands BV.

iv **Rate of Interest for Current borrowings**

The Group's current borrowings facilities have an effective weighted-average contractual rate of 6.29 % per annum (March 31, 2021 :7.49 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

v **Collateral:**

Inventory, trade receivables, other current assets, other current financial assets, property, plant and equipment, capital work-in-progress with a net carrying amount of Rs. 655.76 crores and Rs. 640.44 crores are given as collateral/ security against the borrowings as at March 31, 2022 and March 31, 2021, respectively.

vi Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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Note 18 - Lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	3.15	3.24
Current	0.55	1.68
Total	3.70	4.92

i. Disclosures on lease pursuant to Ind AS 116 - Leases

The Group has leases for the factory lands, buildings, equipment, etc. Also, the Group has a leasehold land at Jaipur and Sri Lanka.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Group is prohibited from selling or pledging the underlying leased assets as security against the Group's other debts and liabilities.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset ("ROU") recognised on balance sheet:

As at 31 March 2022

Right-of-use asset		Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land		7	6.86 - 83.44	-	-
Plant and machinery		11	0.01 - 1.42	-	-
Building		10	3.30 - 4.26	-	-

As at 31 March 2021

Right-of-use asset		Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land		7	7.86 - 84.44	-	-
Plant and machinery		11	0.92 - 2.42	-	-
Building		10	0.25 - 4.76	-	-

ii. The following are amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right-of-use assets	1.78	2.21
Interest expense on lease liabilities	0.60	0.67

iii. Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right to use the underlying asset recognised in the financial statement. The expense relating to payments not included in the measurement of the lease liability for short term leases is Rs. 3.82 crores (Previous year: Rs. 2.89 crores).

Total cash outflow for leases for the year ended March 31, 2022 was Rs. 6.01 crores (Previous year: Rs. 5.90 crores).

iv. Maturities of lease liabilities

The lease liabilties are secured by the related underlying assets. Future minimum lease payments were as follows:

Particulars	Lease payments	Interest expense	Net present values
March 31, 2022			
Not later than 1 year	0.85	0.30	0.55
Later than 1 year but not later than 5 years	2.70	0.80	1.90
Later than 5 years	1.91	0.66	1.25
Total	5.46	1.76	3.70
March 31, 2021			
Not later than 1 year	2.08	0.39	1.69
Later than 1 year but not later than 5 years	2.50	0.86	1.64
Later than 5 years	2.58	0.99	1.59
Total	7.16	2.24	4.92

v. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost.

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Note 19 - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Employee share appreciation rights (refer note 44)	4.73	-
	4.73	-
Current		
Interest accrued but not due on borrowings	0.40	0.36
Unclaimed dividends(i)	0.06	0.06
Derivatives designated at fair value through profit and loss(ii)	4.50	-
Payable under supply chain financing arrangement(v)	80.28	23.08
Creditors for capital goods	0.18	0.22
Others	1.58	0.08
Total	87.00	23.80

(i) As at March 31, 2022, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	(0.20)	-
Effect of marked to market on open contracts	4.70	-
Total	4.50	-

(iii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iv) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

(v) Represents channel financing facility availed by the Company, which is a part of the supply chain financing arrangement with the channel financing partners, for amount payable to MSME vendors through TReDS portal.

Note 20 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current provisions for		
- Gratuity (refer note 43)	3.89	2.89
- Compensated absences (refer note 43)	1.19	0.74
- Other employee benefits	-	0.84
- Provision for Statutory Liability	4.00	-
Total	9.08	4.47
Current provisions for		
- Gratuity (refer note 43)	0.51	0.39
- Compensated absences (refer note 43)#	0.41	0.04
- Other employee benefits	-	0.05
Total	0.92	0.48

Includes short term provision for casual leaves as at March 31, 2022 amounting to Rs. 0.31 crores (Previous Year Nil).

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Note 21 Deferred tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liability arising on account of:		
Property, plant and equipment and other intangible assets	9.95	8.24
Incentive income	0.12	0.44
Foreign currency translation reserve	-	3.06
Other temporary differences	0.26	0.22
Gross deferred tax liabilities	10.33	11.96
Deferred tax asset arising on account of:		
Provision for employee benefits and other liabilities deductible on actual payment	1.32	1.37
Allowances for expected credit losses	1.16	0.78
Foreign currency translation reserve	0.85	-
Right-of-use assets and lease liabilities	0.12	0.14
Cash flow hedge reserve	0.22	0.10
Unrealised gain on unsold stock	1.07	3.07
Gross deferred tax assets	4.74	5.46
Minimum alternate tax (MAT) credit entitlement	4.09	4.09
Deferred tax liabilities (net)	1.50	2.41

No deferred tax asset has been recognised on tax losses of Rs. 5.37 crores (March 31, 2021: Rs. 5.91 crores) pertaining to the indian subsidiaries of the Group, considering there is no probability which demonstrates realisation of deferred tax asset in the near future.

(ii) Deferred tax movements

Particulars	Opening balance	(Charge)/ credit in Statement of Profit and loss	(Charge)/ credit in other comprehensive income	Closing balance
For the year ended March 31, 2022				
Property, plant and equipment and other intangible assets	(8.24)	(1.71)	-	(9.95)
Incentive income	(0.44)	0.32	-	(0.12)
Foreign currency translation reserve	(3.06)	3.08	0.83	0.85
Provision for employee benefits and other liabilities deductible on actual payment	1.37	(0.03)	(0.02)	1.32
Allowances for expected credit losses	0.78	0.38	-	1.16
Right-of-use assets and lease liabilities	0.14	(0.02)	-	0.12
Cash flow hedge reserve	0.10	0.01	0.11	0.22
Unrealised gain on unsold stock	3.07	(2.00)	-	1.07
MAT credit entitlement	4.09	-	-	4.09
Other temporary differences	(0.22)	(0.04)	-	(0.26)
Total	(2.41)	(0.01)	0.92	(1.50)
For the year ended March 31, 2021				
Property, plant and equipment and other intangible assets	(8.47)	0.23	-	(8.24)
Incentive income	(0.63)	0.19	-	(0.44)
Foreign currency translation reserve	(2.42)	-	(0.63)	(3.06)
Provision for employee benefits and other liabilities deductible on actual payment	1.54	(0.19)	0.01	1.37
Allowances for expected credit losses	1.94	(1.16)	-	0.78
Right-of-use assets and lease liabilities	0.09	0.04	-	0.14
Cash flow hedge reserve	0.28	-	(0.18)	0.10
Unrealised gain on unsold stock	1.25	1.83	-	3.07
MAT credit entitlement	4.06	0.03	-	4.09
Other temporary differences	(0.25)	0.03	-	(0.22)
Total	(2.61)	1.00	(0.80)	(2.41)

(iii) There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income-tax Act, 1961:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2022	March 31, 2021
2019-20	2034-35	3.95	3.95
2020-21	2035-36	5.50	5.50
2021-22	2036-37	3.81	3.81
2022-23	2037-38	3.66	-
Total		16.92	13.26

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(All amounts in Rs. crores, unless otherwise stated)

Assessment year (AY) to which unabsorbed losses pertains	Expiry date	March 31, 2022	March 31, 2021
2014-15	2022-23	0.17	0.17
2015-16	2023-24	1.04	1.04
2016-17	2024-25	0.20	0.20
2017-18	2025-26	0.73	0.73
2018-19	2026-27	0.00	0.00
2019-20	2027-28	0.44	0.44
2020-21	2028-29	0.78	0.78
2021-22	2029-30	0.75	0.75
2022-23	2030-31	0.31	-
		4.42	4.11

Assessment year (AY) to which unabsorbed depreciation pertains	March 31, 2022	March 31, 2021
Upto 2012-13	0.21	0.21
2013-14	0.25	0.25
2014-15	0.22	0.22
2015-16	0.25	0.25
2016-17	0.27	0.27
2017-18	0.20	0.20
2018-19	0.04	0.04
2019-20	0.13	0.13
2020-21	0.11	0.11
2021-22	0.11	0.11
2022-23	0.09	-
	1.88	1.79

Note 22 - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred government grants[(i)] [refer note 24(ii)]	0.16	0.18
Total	0.16	0.18
Current		
Revenue received in advance	13.55	9.84
Deferred government grants[(i)] [refer note 24(ii)]	0.02	0.02
Statutory dues payable	1.16	1.69
Other payables	0.91	2.24
Total	15.64	13.79

(i) Movement of deferred government grants

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	0.20	0.23
Released during the year	(0.02)	(0.03)
At the end of the year	0.18	0.20

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(All amounts in Rs. crores, unless otherwise stated)

Note 23 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises(i)	1.08	0.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	76.14	135.19
Total	77.22	135.49

Ageing Schedule of trade payable

As at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.02	1.06	-	-	-	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.71	72.90	2.09		0.44	76.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2021	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises*	0.00	0.30	-	-	-	0.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.34	133.75	0.44	0.66	-	135.19
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i). On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006') at the year end are mentioned below. The same has been relied upon by the auditors.

Particulars	As at March 31, 2022	As at March 31, 2021
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.08	0.30
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	0.00	0.02
iii. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
v. The amount of interest accrued and remaining unpaid at the end of the accounting year*	0.00	0.02
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

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(All amounts in Rs. crores, unless otherwise stated)

Note 24 - Revenue from operations

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Operating revenue[i]		
Sale of products		
Manufactured/ Recycled goods	1,953.97	1,395.73
Traded goods	252.05	9.92
Sale of services	0.08	0.09
Other operating revenue		
Export incentives including amortisation of government grant[ii) & (iii]	7.52	3.02
Job work income	0.30	0.27
Scrap sales	1.95	0.72
Total	2,215.87	1,409.75

I. **Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers**

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by Product type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue by product type:		
Lead	1,860.49	1,230.39
Aluminium	206.77	94.78
Turnkey projects	5.74	2.96
Plastics	131.38	77.31
Others	1.64	0.21
Revenue from sale of services	0.08	0.09
Total	2,206.10	1,405.74
Revenue by time:		
Revenue recognised at point in time	2,206.10	1,405.74
Total	2,206.10	1,405.74

(b) Trade receivables and contract balances

The group present the right to consideration in exchange for sale of promised products/ service as Trade receivable in financial statements. A receivable is a right to consideration that is unconditional upon passage of time. Trade receivable are presented net of impairment (if any) in the Balance Sheet. Further, impairment of bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109. Refer note 41 for details of expected credit loss for trade receivables under simplified approach.

(c) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Balance at beginning of the year	9.84	1.42
Net Moment during the year	3.71	8.42
Balance at the end of the year	13.55	9.84

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(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Contract price	2,213.18	1,407.69
Less: discount, rebates, credits etc.	(7.08)	(1.95)
Revenue from operations as per Statement of Profit and Loss	2,206.10	1,405.74

ii. The Holding Company's recycling facility at Chittoor, was eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the plant had been granted "Small Industry" status and was eligible for incentives like, power cost reimbursement, Interest reimbursement, refund of sales tax/State Goods and services tax paid in cash, etc. Based on such policy, the Group had recognised the incentive computed based on SGST paid to Government of Andhra Pradesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Group was also entitled for capital grant of Rs. 0.26 crores out of which Rs. 0.02 (March 31, 2021: Rs. 0.03 crores) has been recognised as Amortisation of government grant under the head "Other operating revenue" and balance amount of Rs. 0.18 crores (March 31, 2021: Rs. 0.20 crores) has been recognised as Deferred government grants under head "Other current liabilities".

iii. During current year, the amount of Rs. 3.05 crores (previous year: Nil) has been recognised under the head "Other operating revenue", which has been credited under electronic credit ledger under RoDTEP scheme. Out of the amount credited nothing has been utilised during the year ended March 31, 2022.

Note 25 - Other Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest income from financial assets measured at amortised cost:		
- bank deposits	0.40	0.43
- others	0.48	0.39
Other non-operating income		
Liabilities/ provision no longer required written back	0.81	0.36
Miscellaneous income	1.56	0.35
Other gains and losses		
Gain on disposal of property, plant and equipment (net)	0.11	-
Gain on sale of Investment (net)	0.43	-
Gain on foreign currency exchange fluctuation (net)	3.48	0.95
Derivatives measured at fair value through profit and loss		
- Gain on foreign currency forward contracts	0.57	1.39
- Gain on commodity forward contracts	-	3.30
Total	7.84	7.17

Note 26 - Cost of materials consumed

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw materials consumed[(i)]	1,753.92	1,206.46
Total[#]	1,753.92	1,206.46

[#]Cost of Material consumed includes packing material and other ancillary products which are used for manufacturing.

[(i)] inclusive of goods-in-transit

Note 27 - Purchases of traded goods

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Re-melted/ Refined Lead ingots	20.88	8.43
Aluminium and Others	23.32	-
Total	44.20	8.43

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(All amounts in Rs. crores, unless otherwise stated)

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Note 28 - Changes in inventories of finished goods, work-in-progress and traded goods

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Opening stock		
Finished goods[i]	91.65	47.73
Work-in-progress	89.46	50.04
Traded goods	0.82	1.68
Less: Closing stock		
Finished goods[i]	119.87	91.65
Work-in-progress	112.37	89.46
Traded goods	4.28	0.82
Changes in inventories of finished goods, work-in-progress and traded goods	(54.59)	(82.48)

(i) inclusive of goods-in-transit

Note 29 - Employee benefits expense

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	88.61	66.21
Contribution to provident and other funds (refer note 43)	4.15	2.67
Employee share appreciation rights expenses (refer note 44)	4.73	-
Staff welfare expenses	5.26	4.02
Total	102.75	72.90

Note 30 - Finance costs

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest costs on		
- Borrowings	24.26	21.53
- Lease liabilities	0.60	0.67
- Others	-	0.98
Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs	5.69	2.85
Other borrowing costs*	3.00	1.84
Total	33.55	27.87

* includes discounting charges, filing charges etc.

Note 31 - Depreciation and amortisation expense

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation on property, plant and equipment	18.59	17.83
Amortisation of intangible assets	0.19	0.26
Depreciation of Right-of-use assets	1.78	2.21
Total	20.56	20.30

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(All amounts in Rs. crores, unless otherwise stated)

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Note 32 - Other expenses

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power and fuel	16.77	14.49
Rates and taxes	10.55	7.95
Legal and professional fees	3.49	2.30
Repairs and maintenance		
- Plant and machinery	19.40	13.88
- Building	1.10	0.84
- Others	3.10	2.09
Freight and forwarding	46.40	26.17
Travelling and conveyance	5.23	2.98
Insurance	0.87	0.47
Rent (refer note 18)	3.82	2.89
Advertising and sales promotion	5.78	1.89
Donations and scholarships	0.08	0.52
Payment to auditors[(i)]	1.04	0.67
Allowance for expected credit loss on financial assets	1.08	-
Net loss on foreign currency transactions and translation	0.20	-
Loss on disposal/ discard of property, plant and equipment	2.13	6.27
Expenditure on corporate social responsibility	0.64	0.88
Bank charges	4.44	3.10
Contractual labour expenses	1.70	1.09
Other financial assets written off	1.48	-
Derivatives measured at fair value through profit or loss		
- Loss on commodity forward contracts	24.31	-
Miscellaneous expenses	5.07	4.05
Total	158.68	92.53

(i) Payment to auditors (excluding taxes)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
As auditor		
- Audit fee	0.63	0.60
In other capacity		
- Certification and other matters	0.37	0.01
- Reimbursement of out of pocket expenses	0.04	0.06
Total	1.04	0.67

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(All amounts in Rs. crores, unless otherwise stated)

Note 33 - Tax expense

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Current tax		
In respect of current year	16.05	13.92
In respect of earlier year	0.13	1.15
	16.18	15.08
Deferred tax		
In respect of current year	0.01	(0.97)
Minimum alternate tax credit created during the current year	-	(0.03)
	0.01	(1.00)
Income tax expense reported in the Consolidated Statement of Profit and Loss	16.19	14.08
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Accounting profit before tax	164.64	70.91
Statutory income tax rate*	34.94%	34.94%
Tax expense at statutory income tax rate	57.53	24.78
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Effect of income that is exempt from taxation	(32.79)	(13.66)
Effect of expenses that are not deductible in determining taxable profit	1.80	4.28
Effect of different tax rates of subsidiaries operating in other jurisdictions	(10.19)	(2.47)
Deferred tax liabilities not recognised on temporary difference, which will reverse within the tax holiday period	(0.16)	(0.70)
Movement in tax provision relating to earlier years	0.13	1.15
Others	(0.12)	0.70
Income tax expense recognised in Consolidated Statement of Profit and Loss	16.19	14.08

Deferred tax has not been created on incentive income/ receivable in chittor plant of the Holding Company, considering the same will be realised in the period of exemption available under section 80IA of Income tax Act, 1961.

*The Companies operating under different jurisdiction have different tax rates and some entities operate under trade free zone. However, for purpose of consolidation, tax rate applicable on the holding company has been assumed as standard tax rate.

Income tax recognised in Other compherensive income

Particulars	March 31, 2022			March 31, 2021		
	Before tax	Tax Expenses/ (Benefits)	Net of Tax	Before tax	Tax Expenses/ (Benefits)	Net of Tax
Remeasurement of defined benefit plans	0.05	(0.02)	0.03	(0.04)	0.01	(0.03)
Change in fair value of hedging instruments	(0.31)	0.11	(0.20)	0.51	(0.18)	0.33
Foreign currency translation reserve	(2.38)	0.83	(1.55)	1.82	(0.63)	1.19
Total	(2.64)	0.92	(1.72)	2.29	(0.80)	1.49

Note 34 - Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Bank guarantees		
- Bank guarantee given by the Group Companies	5.84	3.33
Claim against the company not acknowledged as debt[i]		
- Excise Duty/Customs Duty/Service Tax/Goods and Sercice Tax	4.29	5.54
- Value Added Tax/ Central Sales Tax/Entry Tax	-	3.29
	10.13	12.16

(i) All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its posittion to be upheld in the appeals pending before various appeallate authorities and no liability could arise on the Group on account of these proceedings.

(b) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	1.53	3.12
Other Commitments related to export obligations	16.16	1.30
Total	17.69	4.42

Note 35 - Dividend

Particulars	Dividend per share	Total dividend
For the year ended March 31, 2022		
Interim dividend for financial year 2021-22[iii]	refer note (i)	23.83
Total		23.83
For the year ended March 31, 2021		
Interim dividend for financial year 2020-21[iii]	refer note (ii)	7.44
Total		7.44

(i) Includes dividend declared by the Board of Directors of Holding Company in its meeting held on January 29, 2022 at the rate of Rs. 3.00 per share and one of the Subsidiary company Navam lanka Limited at the rate of LKR 220 Per share.

(ii) Includes dividend declared by the Board of Directors of Holding Company in its meeting held on January 28, 2021 at the rate of Rs. 1.10 per share.

(iii) It does not include amount paid to Gravita employee welfare trust by Holding Company.

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Note 36 - Earning per share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit for the year attributable to owners of holding company (Rs. in Crores) (A)	139.39	52.47
Total shares issued at the beginning of the year (in numbers) (B)	69,037,914	69,037,914
Less: Weighted average number of shares reserved under 'Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust at the beginning of the year (C)	1,380,500	728,000
Less: Weighted average number of shares acquired during the year under 'Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust (D)	-	306,859
Weighted-average number of equity shares for basic EPS (E) = (B + C - D)	**67,657,414**	**68,003,055**
Effect of dilution (F)	-	-
Weighted-average number of equity shares for diluted EPS (G) = (E + F)	**67,657,414**	**68,003,055**
Basic earnings per share (in Rs.) (A/E)	**20.60**	**7.72**
Diluted earnings per share (in Rs.) (A/G)	**20.60**	**7.72**

Note 37 - Reconciliation of liabilities arising from financing activities

Particulars	Non-current borrowing	Current borrowing	Lease liabilities
As at April 1, 2020	**42.90**	**229.65**	**6.75**
Cash inflow	34.03	-	-
Cash outflow	(26.07)	(24.21)	(3.01)
Non-cash changes			
- Recognition of lease liabilities			0.51
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	0.38	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	-	(0.51)	-
- Interest cost on lease liabilities	-	-	0.67
As at March 31, 2021	**51.24**	**204.93**	**4.92**
Cash inflow	103.69	-	-
cash outflow	(44.78)	72.65	(2.19)
Non-cash changes			
- Recognition of lease liabilities			1.04
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	(0.61)	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	(0.01)	0.31	-
- Disposals	-	-	(0.67)
- Interest cost on lease liabilities	-	-	0.60
As at March 31, 2022	**109.53**	**277.89**	**3.70**

Note 38 - Disclosure as per Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2022		March 31, 2021	
	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
Investment in associate				
Pearl Landcon Private Limited*	0.00	0.00	0.00	0.00

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"

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(All amounts in Rs. crores, unless otherwise stated)

Note 39 - Disclosure of effects of hedge accounting on financial position

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value in USD (Absolute number)	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
March 31, 2022							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	7,189,257	54.50	April 02, 2022 - September 26, 2022	1:1	Rs. 73.40/ USD	0.30	0.30
March 31, 2021							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	11,068,417	81.36	May 30, 2021 - September 21, 2021	1:1	Rs. 73.09/ USD	(2.01)	(2.01)

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive loss (income)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
For the year ended March 31, 2022				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	0.31	-	(0.01)	Finance cost and other income
For the year ended March 31, 2021				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	(0.51)	-	(1.50)	Finance cost and other expenses

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2022	March 31, 2021
Amount at the beginning of the year	0.19	0.52
Add: Changes in value of PCFCs	0.30	(2.01)
Less: Amount reclassified to profit or loss	0.01	1.50
Less: Deferred tax relating to above (net)	(0.11)	0.18
Amount at the end of the year	0.39	0.19

Note 40 - Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Group is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. The Group's management reviews the capital structure of the Group on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Group also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

The following table summarises the capital of the Group:

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity	386.85	268.93
Non-current borrowings	109.53	51.24
Current borrowings (including current maturities)	277.89	204.93
Total capital (Debt + Equity)	774.27	525.10

(All amounts in Rs. crores, unless otherwise stated)

Note 41 - Financial Instruments

A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at March 31, 2022		As at March 31, 2021	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets					
Investments*[ii]	6	0.00	-	0.00	
Trade receivables	12	109.65	-	59.38	-
Other financial assets	8	22.40	-	23.33	-
Derivative assets	8	-	0.70	-	4.02
Loans	7	1.84	-	2.12	-
Cash and cash equivalents	13	23.42	-	11.32	-
Bank balances other than cash and cash equivalents	14	9.10	-	8.54	-
Total financial assets		**166.41**	**0.70**	**104.69**	**4.02**
Financial liabilities					
Non -current borrowings	17	109.53	-	51.24	-
Current borrowings	17	277.89	-	204.93	-
Lease liabilities	18	3.70	-	4.92	-
Trade payables	23	77.22	-	135.49	-
Other financial liabilities	19	87.04	-	23.80	-
Derivative liabilities	19	-	4.70	-	-
Total financial liabilities		**555.38**	**4.70**	**420.37**	**-**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

[ii] Investment in associate is measured at using equity method of accounting and hence, not presented here.

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Paticulars	Note	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	0.70	-	**0.70**
Derivative liabilities	19	-	4.70	-	**4.70**
As at March 31, 2021					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	4.02	-	**4.02**

Valuation process and technique used to determine fair value

i. The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

iii. The Group enters into commodity contracts with financial institutions for hedging price risk of lead arising from its import and export. Fair values of such contracts are determined based on observable rates of the commodity for similar contracts for the remaining maturity on the balance sheet date.

iv. There are no significant changes in value of level 3 investment measured at fair value through other comprehensive income.

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(All amounts in Rs. crores, unless otherwise stated)

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B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Note	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
Non-current financial assets					
Investments	6	0.00	0.00	0.00	0.00
Security deposits	8	2.76	2.76	3.33	3.33
Deposits with bank (with remaining maturity more than 12 months)	8	0.34	0.34	0.09	0.09
Non-current financial liabilities					
Borrowings	17	109.53	109.53	51.24	51.24
Lease liabilities	18	3.15	3.15	3.24	3.24

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables, current lease liabilities and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current loans and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual credit worthiness of the counterparty/borrower and other market risk factors.

ii. The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

iii. Long term borrowing facilities availed by the Group which are variable rate facilities, are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

Note 42 - Financial Risk Management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow	Availability of committed credit lines and borrowing
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

I. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a. Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

(All amounts in Rs. crores, unless otherwise stated)

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Group provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	6 month expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Low credit risk			
Loans	7	1.84	2.12
Security deposits	8	3.66	3.99
Trade receivables	12	109.65	59.38
Cash and cash equivalents	13	23.42	11.32
Bank balances other than cash and cash equivalents	14	9.10	8.54
Other financial assets (including derivative assets)	8	19.44	23.36
High credit risk			
Trade receivables	12	3.32	2.24
Total		170.43	110.95

(i) Investment in associate is measured at using equity method of accounting and hence, not presented here.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Group. The Group has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Group recognises a impairement for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

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(All amounts in Rs. crores, unless otherwise stated)

b. **Expected credit losses for financial assets**

i. **Financial assets (other than trade receivables)**

Group provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash & cash equivalents, other bank balances and derivative financial instruments - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

For security deposits paid - Credit risk is considered low because the Group is in possession of the underlying asset.

For other financial assets - Credit risk is evaluated based on Group knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Particulars	Notes	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2022					
Cash and cash equivalents	13	23.42	0.00%	-	23.42
Bank balances other than cash and cash equivalents	14	9.10	0.00%	-	9.10
Loans	7	1.84	0.00%	-	1.84
Security deposits	8	3.66	0.00%	-	3.66
Other financial assets	8	19.44	0.00%	-	19.44
March 31, 2021					
Cash and cash equivalents	13	11.32	0.00%	-	11.32
Bank balances other than cash and cash equivalents	14	8.54	0.00%	-	8.54
Loans	7	2.12	0.00%	-	2.12
Security deposits	8	3.99	0.00%	-	3.99
Other financial assets	8	23.36	0.00%	-	23.36

Reconciliation of loss allowance provision for loans from beginning to end of reporting period:

Particulars	Loans
Loss allowance as at April 1, 2020	1.82
Changes in loss allowance	(1.82)
Loss allowance as at March 31, 2021	-
Changes in loss allowance	-
Loss allowance on March 31, 2022	-

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(All amounts in Rs. crores, unless otherwise stated)

ii. **Expected credit loss for trade receivables under simplified approach**

As at March 31, 2022 and March 31, 2021, the Group considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount of impairment provision
March 31, 2022				
Amount not yet due	73.38	0.00%	-	73.38
Between one to six month overdue	34.76	0.00%	-	34.76
Greater than six month overdue	4.83	68.74%	3.32	1.51
Total	112.97		3.32	109.65
March 31, 2021				
Amount not yet due	37.34	0.00%	-	37.34
Between one to six month overdue	21.34	0.00%	-	21.34
Greater than six month overdue	2.94	76.23%	2.24	0.70
Total	61.62		2.24	59.38

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period

Particulars	Trade receivables
Loss allowance as at April 1, 2020	**3.73**
Changes in loss allowance	1.46
Less: Amounts written off during the year	(2.95)
Loss allowance as at March 31, 2021	**2.24**
Changes in loss allowance	1.08
Less: Amounts written off during the year	-
Loss allowance on March 31, 2022	**3.32**

II. **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

a. **Financing arrangements**

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2022	As at March 31, 2021
Undrawan*	60.21	120.83

* includes Working capital facilities which is due for review every year

b. **Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
March 31, 2022				
Non-derivatives				
Non-current borrowings	-	108.79	0.74	109.53
Current borrowings	277.89	-	-	277.89
Lease liabilities	0.82	3.01	0.85	4.68
Trade payables	77.22	-	-	77.22
Other financial liabilities	87.00	-	-	87.00
Total	442.93	111.80	1.59	556.32
March 31, 2021				
Non-derivatives				
Non-current borrowings	-	51.08	0.16	51.24
Current borrowings	204.93	-	-	204.93
Lease liabilities	2.07	2.50	2.58	7.15
Trade payables	135.49	-	-	135.49
Other financial liabilities	23.80	-	-	23.80
Total	366.28	53.58	2.74	422.61

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(All amounts in Rs. crores, unless otherwise stated)

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III. Market risk

a. Foreign currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. The Group's exposure to foreign currency changes for all other currencies which are not stated below is not material. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	77.36	36.39	62.32	65.68
EURO	0.18	-	-	-

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

The impact on the Group's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
USD Sensitivity		
INR/USD - Increase by 4.06% (Previous Year 4.38%)	0.70	(1.28)
INR/USD - Decrease by 4.06% (Previous Year 4.38%)	(0.70)	1.28
EURO Sensitivity		
INR/EURO - Increase by 4.74% (Previous Year 5.59%)	0.01	-
INR/EURO - Decrease by 4.74% (Previous Year 5.59%)	(0.01)	-

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

Outstanding contracts	No. of deals		Foreign currency USD (Absolute numbers)		Nominal amount (INR)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD / INR sell forward	2,600	2,000	2,600,000	2,000,000	19.71	14.68
Commodity derivative	10,625	7,800	25,733,538	15,408,900	195.08	113.26

b. Interest rate risk

i. Financial liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. As at March 31, 2022 and March 31, 2021, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Group's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	309.42	211.41
Fixed rate borrowing	78.00	44.76
Total borrowings	**387.42**	**256.17**

Sensitivity

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity[(i)]		
INR Borrowings		
Interest rates – increase by 100 basis points	3.09	2.11
Interest rates – decrease by 100 basis points	(3.09)	(2.11)

(i) Holding all other variables constant

c. Price risk

Exposure

The Group exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. There are no investments held by the Group which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Group is not exposed to price risk.

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Note 43 - Employee benefits plans

(i) Defined Contribution Plans

The Group makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Employer's contribution to provident funds	3.65	1.79
Employer's contribution to employee state insurance and other funds	0.49	0.88
Employer's contribution to labour welfare fund*	0.01	0.00

*Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgement dated February 28, 2019 on provident fund. The Group has started recognising such expenditure/liability on account of enhanced provident fund contributions prospectively. Pending further clarification on the applicability of such ruling, the management is of the view that such ruling is applicable prospectively.

Earned leaves- Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end acturial valuation.

Casual leaves- Unutilized casual leaves get elapsed at the end of each calender year. The Group has provided for casual leave for a period of 3 months i.e. from January 2022 till March 2022.

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

Earned leaves – Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

These plans typically expose the company to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

Investment Risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk -The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk -The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Reconciliation of opening and closing balances Defined Benefit Obligation

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Change in benefit obligation (A)				
Present value of obligation as at the beginning of the year	3.28	0.78	2.87	0.82
Current service cost	1.04	0.81	0.35	0.12
Interest cost	0.22	0.04	0.19	0.05
Actuarial loss/ (gain)	(0.09)	0.01	0.04	(0.01)
Actuarial loss/ (gain) on plan assets	-	-	-	-
Benefits paid	(0.04)	(0.05)	(0.18)	(0.20)
Present value of obligation as at the end of the year	4.40	1.60	3.28	0.78
Change in plan assets (B)				
Fair value of plan assets at the beginning of the year	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Liability recognized in the financial statement (A - B)	4.40	1.60	3.28	0.78

Actuarial assumptions

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount rate	7.18%	7.18%	6.80%	6.80%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	23.29	23.48	22.15	22.16
Average remaining working lives of employees with Mortality and Withdrawal (years)	17.90	17.79	17.35	17.35
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

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Maturity profile of defined benefit obligation

Year	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	0.48	0.08	0.39	0.04
1 to 2 year	0.06	0.02	0.10	0.03
2 to 3 year	0.09	0.04	0.05	0.01
3 to 4 year	0.81	0.05	0.08	0.03
4 to 5 year	0.32	0.11	0.75	0.04
5 to 6 year	0.45	0.17	0.29	0.10
6 year onwards	1.55	0.53	1.62	0.53

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
Current service cost	1.04	0.81	0.35	0.12
Net interest cost	0.22	0.04	0.19	0.05
Actuarial loss	-	0.01	-	(0.01)
Total amount recognised in profit or loss	**1.26**	**0.87**	**0.54**	**0.16**
Re-measurements recognised in Other comprehensive income				
Actuarial (gain) / loss on plan assets	-	-	-	-
Effect of changes in demographic assumptions	-	-	-	-
Effect of changes in financial assumptions	(0.11)	-	0.01	-
Effect of experience adjustments	0.06	-	0.04	-
Total re-measurements included in Other Comprehensive Income	**(0.05)**	**-**	**0.04**	**-**
Total amount recognised in Statement of Profit and Loss	**1.21**	**0.87**	**0.59**	**0.16**

Provision created in subsidiary companies are complied withas per the requirements of their respective land laws wherever applicable.

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	4.40	1.60	3.28	0.78
(a) Impact of the change in discount rate				
Impact due to increase of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)
Impact due to decrease of 0.50%	0.15	0.05	0.14	0.04
(b) Impact of the change in salary increase				
Impact due to increase of 0.50%	0.15	0.05	0.14	0.04
Impact due to decrease of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)

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Note 44 - Employee share based payments

Employee Stock appreciation rights Scheme

In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, inter alia, administers and monitors the Gravita Stock Appreciation Rights Scheme 2017 of the Holding Company. The Compensation Committee, at its meeting granted Nil (Previous year: 528,000) Stock Appreciation Rights ('SAR') to the employees of the Group under Gravita Stock Appreciation rights Scheme 2017. In addition, Gravita Employee Welfare Trust has purchased 652,500 (previous year: 528,000) equity shares from secondary market.

(i) Movement of shares acquired by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares outstanding at the beginning of the year	1,305,000	652,500
Equity shares acquired during the year		652,500
Number of shares outstanding at the end of the year	1,305,000	1,305,000

(ii) Movement of shares appreciation rights granted by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares appreciation rights granted at the beginning of the year	728,000	200,000
Shares appreciation rights granted during the year		528,000
Number of shares appreciation rights granted at the end of the year	728,000	728,000

(iii) Gravita has granted certain SAR to its employees under the Scheme details of which are as under

Grant of SAR*	Number of SAR
SAR 2018-19	70,400
SAR 2019-20	129,600
SAR 2020-21	528,000
Total	728,000

*The Holding company has granted 402,600 stock appreciation rights to KMP's which will be exercised at the time of their respective retirement and which are subject to upward and downward revision.

(iv) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for the options granted till 31 March 2022:

Date of Grant	Market Price as at 31 March 2022	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation	Employee Attrition	Fair Value per share as at 31 March 2022
1 April 2018	317.75	70,400	0.97 to 20.32	143.31	4.14% to 7.11%	52.09% to 61.41%	18.00%	151.52 to 247.53
1 April 2019	317.75	129,600	4.27	108.23	5.78%	53.83%	18.00%	198.96
1 April 2020	317.75	528,000	2.08 to 25.90	42.55	4.80% to 7.11%	52.09% to 57.98%	18.00%	229.07 to 257.42

(v) Refer note 47 for transactions with KMP's.

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Note 45 - Segment Information

Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Board of Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated in the segments below:

i) Lead processing
ii) Aluminium processing
iii) Turn-key solutions
iv) Plastic manufacturing

Lead processing includes smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc.

Aluminium processing includes trading of Taint Tabor and Tense aluminium scraps manufacturing of alloy from melting of aluminium scrap.

Turn key solution includes, complete supply of plant and machinery related to lead manufacturing plant. Further, since carton trading does not amounts to primary business activities, hence the same has been clubbed in others in segment reporting.

Segment revenue and results include the respective amounts identifiable to each of the segments. Other unallowable expenditure includes expenses incurred on finance cost, which are not directly identifiable to segments.

In addition to the significant accounting policies applicable to the business segments as set out in note 1, the accounting policies in relation to segment accounting are as under:

(a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipment, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes.

(c) Geographical segments

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation is mainly for two locations:
(i) India (country of domicile); and
(ii) other than India (all countries other than India is considered by CODM as one geographical area).

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets has been given below:

* Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts
(i) located in the entity's country of domicile; and
(ii) located in all foreign countries in total in which the entity holds assets.

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(All amounts in Rs. crores, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
A. Segment revenue[i]		
Lead	1,870.34	1,232.70
Aluminium	206.77	95.24
Turnkey projects	5.74	3.51
Plastics	131.38	77.37
Others	1.64	0.93
Total	**2,215.87**	**1,409.75**
B. Segment results		
Lead	173.25	91.63
Aluminium	28.92	16.37
Turnkey projects	0.49	(1.29)
Plastics	17.80	(3.18)
Others	(1.48)	0.07
Total	**218.98**	**103.60**
C. Reconciliation of segment result with profit after tax		
Segment results	**218.98**	**103.60**
Add/ (less): Unallocated income/ (expenses)		
Finance costs	33.55	27.87
Other income	(7.84)	(7.17)
Other expenses	28.63	11.99
Share of loss of an associate*	0.00	0.01
Tax expenses	16.19	14.08
Profit after tax in the Statement of Profit and Loss	**148.45**	**56.82**
D. Segment depreciation and amortisation expense		
Lead	9.62	10.61
Aluminium	1.14	1.35
Turnkey projects	0.72	0.69
Plastics	4.01	5.25
Others	0.09	0.14
Unallocated	4.98	2.26
Total	**20.56**	**20.30**
D. Segment assets		
Lead	695.40	525.79
Aluminium	102.23	54.99
Turnkey projects	25.32	28.77
Plastics	46.45	37.20
Others	17.83	3.29
Unallocated assets	110.27	76.29
Total Assets	**997.50**	**726.33**
E. Segment Liabilities		
Lead	74.00	120.13
Aluminium	54.78	5.55
Turnkey projects	10.12	1.82
Plastics	12.62	8.01
Others	12.75	0.14
Unallocated liabilities	432.38	312.73
Total Liabilities	**596.65**	**448.38**
F. Investment in associate		
Unallocated*	0.00	0.00
G. Revenue by geographical market		
Within India	1,036.28	1,291.12
Outside India	1,179.59	118.63
Total	**2,215.87**	**1,409.75**

Particulars	March 31, 2022	March 31, 2021
H. Non-current assets by geographical market		
Within India	167.56	133.18
Outside India	77.74	62.50
Total	245.30	195.68

(i) Segment revenue reported above represents revenue generated from external customers

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

Information about major customers

Sales of Rs. 616.39 crores (Previous year: Rs. 531.42 crores), included in total Revenue, which arose from sales to the Group's largest customers. No other single customers contributed 10% or more to the Group's revenue in current year 2021-22 and previous year 2020-21.

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(All amounts in Rs. crores, unless otherwise stated)

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Note 46 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(I) Details of subsidiaries and associates

(a) Subsidiaries

Name of the entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Gravita Infotech Limited	India	100.00	100.00
Noble Buildestate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
p	Senegal	100.00	100.00
Gravita Nicaragua SA	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc	USA	100.00	100.00
Gravita Mali SA	Mali	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Limited	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Gravita Dominican SAS (till 6th September, 2021)	Dominican Republic	-	100.00
Gravita Peru SAC (till 3rd February, 2022)	Peru	-	100.00
Gravita Togo Sau (from 4th August, 2021)	TOGO	100.00	-

(b) Associate

Name of the entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Pearl Landcon Private Limited	India	25.00	25.00

(c) Partnership firms

Name of the entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Gravita Metal Inc	India	100.00	100.00
M/s Gravita Infotech	India	100.00	100.00

(d) Limited liability partnership firm

Name of the entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Recycling Infotech LLP	India	100.00	100.00

(e) Trusts

Name of the entity	Country of incorporation
Gravita Employee Welfare Trust	India

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

(ii) Information about standalone subsidiaries/ entities consolidated

(i) For financial year 2021-22

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India limited	53.74%	207.89	28.52%	39.75	(7.22%)	(0.17)	27.92%	39.58
Subsidiaries								
Indian subsidiaries (ii)								
Gravita Infotech Limited	0.54%	2.10	(0.24%)	(0.33)	(0%)	-	(0.23%)	(0.33)
M/s Gravita Infotech	0.02%	0.07	(0.01%)	(0.01)	(0%)	-	(0.01%)	(0.01)
Noble Buildestate Private Limited	0.01%	0.02	1.34%	1.87	(0%)	-	1.32%	1.87
M/s Gravita Metal Inc.	(5.4%)	(20.89)	(3.07%)	(4.28)	(0%)	-	(3.02%)	(4.28)
M/s Recycling infotech LLP	(0%)	-	(0%)	-	(0%)	-	(0%)	-
Gravita Employee Welfare Trust	(0.34%)	(1.32)	(0.3%)	(0.42)	(0%)	-	(0.3%)	(0.42)
Foreign subsidiaries								
Gravita Ghana Limited	0.28%	1.07	0.32%	0.45	(8.92%)	(0.21)	0.17%	0.24
Gravita Netherlands BV	15.3%	59.17	9.12%	12.71	28.02%	0.66	9.43%	13.37
Gravita Global Pte Limited	2.61%	10.08	0.28%	0.39	2.55%	0.06	0.32%	0.45
Gravita Senegal SAU	9.01%	34.87	11.59%	16.15	(26.75%)	(0.63)	10.95%	15.52
Gravita Mali SA	0.02%	0.07	1.74%	2.43	(0.42%)	(0.01)	1.71%	2.42
Gravita Nicaragua SA	1.4%	5.42	5.87%	8.18	(0%)	-	5.77%	8.18
Navam Lanka Limited	5.67%	21.95	13.54%	18.87	(361.28%)	(8.51)	7.32%	10.37
Gravita Mozambique LDA	10.25%	39.66	1%	1.39	212.27%	5.00	4.5%	6.38
Gravita USA Inc	1.2%	4.66	0.5%	0.70	5.94%	0.14	0.59%	0.84
Gravita Jamaica Limited	(2.66%)	(10.29)	(1.08%)	(1.50)	5.94%	0.14	(0.96%)	(1.36)
Gravita Ventures Limited	0.01%	0.03	0.67%	0.93	(0.42%)	(0.01)	0.64%	0.91
Recyclers Gravita Costa Rica SA	(0.52%)	(2.01)	(0.21%)	(0.29)	4.25%	0.10	(0.13%)	(0.19)
Gravita Tanzania Limited	11.01%	42.60	17.45%	24.32	(0%)	-	17.16%	24.32
Recyclers Ghana Limited	10.21%	39.49	23.81%	33.19	(32.69%)	(0.77)	22.87%	32.42
Mozambique Recyclers LDA	3.17%	12.26	4.53%	6.31	19.95%	0.47	4.78%	6.78
Gravita Dominican SAS (Till 6th September, 2021)	(0%)	-	0.34%	0.48	0.42%	0.01	0.35%	0.50
Gravita Peru SAC (Till 03 February, 2022)	(0%)	-	0.12%	0.17	2.97%	0.07	0.17%	0.24
Gravita Togo Sau (From 04 Aug, 2021)	0.19%	0.74	(0%)	-	(0.42%)	(0.01)	(0.01%)	(0.01)
Total		447.64		161.46		(3.67)		157.79
Adjustments arising out of consolidation	16%	60.79	16%	22.07	-256%	(6.03)	11%	16.04
Sub-total (a)	1.00	386.85	1.00	139.39	1.00	2.36	1.00	141.75
Non - controlling interests (iii)								
Navam Lanka Limited		14.00		9.06		(4.08)		4.98
Sub-total (b)		14.00		9.06		(4.08)		4.98
Associates								
Pearl Landcon Private Limited		0.00		(0.00)		-		(0.00)
Sub-total (c)		0.00		(0.00)		-		(0.00)
Total (a + b + c)		400.85		148.45		(1.72)		146.73

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

(ii) For financial year 2020-21

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India Limited	70.29%	189.02	61.3%	32.17	14.93%	0.30	59.59%	32.47
Subsidiaries								
Indian subsidiaries[ii]								
Gravita Infotech Limited	0.9%	2.43	(0.19%)	(0.10)	-	-	(0.18%)	(0.10)
M/s Gravita Infotech	0.03%	0.07	(0.02%)	(0.01)	-	-	(0.02%)	(0.01)
Noble Buildestate Private Limited	(0.68%)	(1.84)	(0.53%)	(0.28)	-	-	(0.51%)	(0.28)
M/s Gravita Metal Inc.	(4.57%)	(12.28)	(9.68%)	(5.08)	(0%)	-	(9.32%)	(5.08)
M/s Recycling Infotech LLP	(0.00%)	-	(0.00%)	-	-	-	(0.00%)	-
Gravita Employee Welfare Trust	(0.33%)	(0.90)	(0.90%)	(0.47)	-	-	(0.86%)	(0.47)
Foreign subsidiaries				-				
Gravita Ghana Limited	0.3%	0.82	0.17%	0.09	(1.99%)	(0.04)	0.09%	0.05
Gravita Netherlands BV	17.03%	45.80	7.18%	3.77	(13.93%)	(0.28)	6.4%	3.49
Gravita Global Pte Limited	3.58%	9.64	(0.11%)	(0.06)	(2.49%)	(0.05)	(0.2%)	(0.11)
Gravita Senegal SAU	7.2%	19.35	10.25%	5.38	28.36%	0.57	10.92%	5.95
Gravita Mali SA	(0.87%)	(2.35)	0.17%	0.09	(4.98%)	(0.10)	(0.02%)	(0.01)
Gravita Nicaragua SA	(1.03%)	(2.77)	(4.21%)	(2.21)	8.96%	0.18	(3.73%)	(2.03)
Navam Lanka Limited	6.99%	18.80	17.26%	9.06	(54.23%)	(1.09)	14.63%	7.97
Gravita Mozambique LDA	18.08%	48.62	19.65%	10.31	(77.61%)	(1.56)	16.06%	8.75
Gravita USA Inc	1.42%	3.83	0.15%	0.08	1%	0.02	0.18%	0.10
Gravita Jamaica Limited	(3.32%)	(8.94)	(12.25%)	(6.43)	23.88%	0.48	(10.92%)	(5.95)
Gravita Ventures Limited	(0.33%)	(0.88)	0.02%	0.01	1.49%	0.03	0.07%	0.04
Recyclers Gravita Costa Rica SA	(0.68%)	(1.82)	(0.17%)	(0.09)	6.97%	0.14	0.09%	0.05
Gravita Tanzania Limited	6.6%	17.76	16.84%	8.84	(6.97%)	(0.14)	15.97%	8.70
Recyclers Ghana Limited	2.63%	7.07	7.95%	4.17	60.7%	1.22	9.89%	5.39
Mozambique Recyclers LDA	2.04%	5.48	11.13%	5.84	9.95%	0.20	11.08%	6.04
Gravita Dominican SAS	(0.07%)	(0.19)	0.02%	0.01	1%	0.02	0.06%	0.03
Gravita Peru SAC	(0.06%)	(0.15)	(0.42%)	(0.22)	(0%)	-	(0.4%)	(0.22)
		336.57		64.87		(0.10)		64.77
Adjustments arising out of consolidation	(25.15%)	(67.64)	(23.61%)	(12.39)	104.98%	2.11	(18.87%)	(10.28)
Total (A)	100.00%	268.93	100%	52.48	100%	2.01	100%	54.49
Non-controlling interests								
Navam Lanka Limited		9.02		4.35		(0.52)		3.83
Total (B)		9.02		4.35		(0.52)		3.83
Associates								
Pearl Landcon Private Limited		-		(0.01)		-		(0.01)
Total (C)		-		(0.01)		-		(0.01)
Total (A + B + C)		277.95		56.82		1.49		58.31

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) total assets less total liabilities

(ii) including partnership firms, LLP and trust

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

(III) Non-controlling interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Holding Company.

The balance of non-controlling interests as at the end of the year is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Non-controlling interests[i]	14.00	9.02

(i) Gravita India Limtied through its wholly owned subsdiary, Gravita Global Pte. Limited holds 52% equity stake in Navam Lanka Limited.

The tables below provide summarised information in respect of Balance Sheet as at March 31, 2022 and March 31, 2021, Statement of Profit and Loss and Statement of cash Flows for the year ended March 31, 2022 and March 31, 2021, in respect of the above-mentioned entity:

Summarised information related to Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets	3.06	4.28
Current assets	28.42	20.94
Total assets	**31.48**	**25.22**
Non-current liabilities	0.68	0.77
Current liabilities	8.85	5.65
Total liabilities	**9.52**	**6.42**
Net assets	**21.95**	**18.80**
Accumulated non-controlling interest	**14.00**	**9.02**

Summarised information related to Statament of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total Income	68.35	54.74
Profit for the year	18.87	9.06
Total comprehensive income for the year	10.37	7.97

Summarised information related to cash flow Statement

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash flow from operating activities	7.61	2.81
Net cash used in investing activities	(2.95)	(0.17)
Net cash used in financing activities	(4.64)	(2.90)
Net increase/ (decrease) in cash and cash equivalents during the year	**0.02**	**(0.26)**
Cash and cash equivalents at the beginning of the year	0.43	0.69
Cash and cash equivalents at the end of the year	**0.45**	**0.43**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

Note 47 - Related party disclosures under Ind AS - 24 "Related Party Disclosures"

(i) Name of related parties and nature of related party relationship

(a) Enterprises over which Key Managerial Personnel and/ or their relatives exercise significant influence

Name of the entity
Saurabh Farms Limited
Shah Buildcon Private Limited
Jalousies India Private Limited
Gravita Impex Private Limited
Agarwal Family Private Trust

Key Managerial Personnel and their relatives

(b) Key Management Personnel

Name	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-time director
Mr. Rajat Agrawal	Managing director
Mr. Yogesh Malhotra	Whole-time director and Chief executive officer
Mr. Sunil Kansal	Chief financial officer
Mr. Nitin Gupta	Company Secretary
Mr. Dinesh Kumar Govil	Independent director
Mr. Arun Kumar Gupta	Independent director
Mr. Chanchal Chadha Phadnis	Independent director

(c) Relatives of Key managerial personnel*

Name	Relationship
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

* with whom transactions have taken place during the current year or previous year.

(ii) Detail of transaction and balance outstanding with related parties

Transactions with related parties

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(i) Remuneration paid to key managerial personnel		
(a) Short-term benefits[(i)]		
Dr. Mahavir Prasad Agarwal	1.20	1.20
Mr. Rajat Agrawal	1.19	1.00
Mr. Yogesh Malhotra	1.92	0.79
Mr. Sunil Kansal	0.95	0.66
Mr. Nitin Gupta	0.13	0.08
(b) Post-employment benefits[(ii)]		
Dr. Mahavir Prasad Agarwal	0.06	0.08
Mr. Rajat Agrawal	0.06	0.08
Mr. Yogesh Malhotra	0.02	0.06
Mr. Sunil Kansal	0.02	0.05
Mr. Nitin Gupta*	0.00	0.00
(ii) Dividend Paid		
(a) Key managerial personnel		
Mr. Rajat Agrawal	9.91	3.60
Mr. Yogesh Malhotra	0.01	0.00
Mr. Sunil Kansal	0.02	0.01
Mr. Nitin Gupta	0.01	0.00
(b) Key managerial personnel		
Agarwal Family Private Trust	5.22	1.91
(iii) Purchases of property plant and equipments		
(a) Key managerial personnel		
Rajat Agrawal	-	0.71
(iv) Rent expenses		
(a) Key management personnel		
Mr. Rajat Agrawal	0.40	0.40
(b) Relatives of key management personnel		
Mrs. Anchal Agrawal	0.07	0.06
(c) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.44	0.42
Shah Buildcon Private Limited	0.36	0.22
Jalousies India Private Limited	0.34	0.32

(i) Short-term benefits includes PAT incentive/ performance incentive, which is subject to Performance and target achievement.

(ii) Post-employment benefits does not include provisions for incremental gratuity of Rs. 1.20 crores. (Previous Year Rs. 1.15 crores.) and compensated absences of Rs. 0.08 crores.(Previous Year Rs. 0.07 crores.) based on actuarial valuation report.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS

GRAVITA INDIA LIMITED

(All amounts in Rs. crores, unless otherwise stated)

GRAVITA

Closing balances with related parties

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Corporate guarantee taken		
(a) Enterprises having common key management personnel and/or their relatives		
Gravita Impex Private Limited	0.04	0.04
(ii) Security deposits		
Anchal Agarwal	0.02	0.02
Rajat Agrawal	0.12	0.12
Saurabh Farms Limited	0.14	0.14
Shah Buildcon Private Limited	0.12	0.12
Jalousies (India) Private Limited	0.11	0.11
(iii) Remuneration payable to Key managerial personnel		
Dr. Mahavir Prasad Agrawal	0.10	0.08
Mr. Rajat Agrawal	0.11	0.07
Mr. Yogesh Malhotra	0.05	0.04
Mr. Sunil Kansal	0.03	0.03
Mr. Nitin Gupta	0.01	0.01

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

(i) Refer note 17(ii) and (iii) for personal guarantee given by Key managerial personnel.

(ii) Refer note 44 for Employee stock appreciation rights given to KMP's.

Note 48 - The management of the group has assessed the impact of COVID-19 on its operations as well its financial results and considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets, which does not have any significant impact on carrying value of its assets. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these Consolidated financial results and the management of the Group will continue to closely monitor any material changes to future economic conditions.

Note 49 - The figures of the previous year have been regrouped/ reclassed to make them comparable with those of current year wherever considered necessary.

Note 50 - In the opinion of Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/ expected liabilities have been made.

Note 51- As per transfer pricing legislation under section 92 - 92F of the Income -tax Act, 1961, the Company is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporanious in nature, the Company has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these consolidated financial statements.

Note 52 - Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Group has not been declared wilful defaulter by any bank or financial institutions or other lenders.

(iii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Group has not traded or invested in crypto currency or virtual currency during the current and the preceding financial year.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(ix) "The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Date: May 19, 2022
Place: Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

GRAVITA INDIA LIMITED

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

____

Rajat Agrawal
Managing Director
DIN: 00855284

Date: December 19, 2024
Place: Jaipur

DECLARATION

We, the Board of Directors of the Company certify that:

I. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

II. the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

III. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

____
Rajat Agrawal
Managing Director
DIN: 00855284

Date: December 19, 2024
Place: Jaipur

I am authorized by the Fund Raising Committee of the Board of Directors of the Company, vide resolution dated December 19, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

____
Rajat Agrawal
Managing Director
DIN: 00855284

Date: December 19, 2024
Place: Jaipur

GRAVITA INDIA LIMITED

Registered Office
"Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India
Tel No.: +91-141-4057700

Corporate Office
402, Gravita Tower, A-27B, Shanti Path
Tilak Nagar
Jaipur – 302 004, Rajasthan, India

Website: www.gravitaindia.com
Email: Companysecretary@gravitaindia.com

Company Secretary and Compliance Officer

Nitin Gupta
"Saurabh", Chittora Road,
Harsulia Mod, Diggi-Malpura Road,
Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India.
Tel No.: +91-141-4057700
E-mail: Companysecretary@gravitaindia.com

Book Running Lead Managers

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India

Kotak Mahindra Capital Company Limited
27 BKC, 1st floor
Plot No. C-27, "G" Block,
Bandra Kurla Complex, Bandra (E),
Mumbai-400 051

Legal Counsel to the Company

M/s. Crawford Bayley & Co.
State Bank Buildings, 4th Floor
N.G.N. Vaidya Marg, Fort
Mumbai 400 023
Maharashtra, India

Legal Counsel to the BRLMs

J. Sagar Associates
B-303, 3rd Floor, Ansal Plaza,
Hudco Place,
August Kranti Marg,
New Delhi – 110049, India

International Legal Counsel To the Book Running Lead Managers with respect to Selling and Transfer Restrictions

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore – 049321
Republic of Singapore

Statutory Auditors of our Company

M/s. Walker Chandiok & Co. LLP
1st Floor, L-41 Connaught Circus,
New Delhi – 110 001, India
Firm Registration Number: 001076N/N500013

SAMPLE APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the LMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

APPLICATION FORM

GRAVITA

GRAVITA INDIA LIMITED

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

CIN: L74899DL1994PLC061295;
Registered Office: "Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India
Corporate Office: Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur – 303 904, Rajasthan, India
Contact Person: Nitin Gupta, Company Secretary
Telephone: +91-141-4057800;
Email: info@gravitaindia.com;
Website: www.gravitaindia.com
LEI Code: 335800PL6PSIRCLKWV57; **ISIN:** INE024L01027

Name of Bidder: ___________________

Form No__________________________

Date: _____________________________

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH OF GRAVITA INDIA LIMITED (THE "COMPANY") (THE "EQUITY SHARES") BY THE COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] CRORES UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") (HEREINAFTER REFERRED TO AS THE "ISSUE").

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 2,206.49 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); (d) are eligible to invest in the Issue and submit this Application Form, and; (e) are resident in India; (f) a multilateral or bilateral development financial institution eligible to participate in the Issue under applicable laws, including the FEMA Rules (defined below) or a (g) Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 (the "SEBI FPI Regulations") and any other applicable law (other than individuals, corporate bodies and family offices), that are eligible to participate in the Issue ("Eligible FPIs), can submit this Application Form. Further, in terms of the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended, foreign venture capital investors ("FVCIs") are not permitted to participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be or offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" in the accompanying preliminary placement document dated December 16, 2024 (the "PPD"). The Equity Shares sold in the Issue are subject to the transfer restrictions set forth in "*Selling Restrictions*" and "*Transfer Restrictions*" in the PPD.

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
Gravita India Limited
"Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road,
Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India
Dear Sirs,

On the basis of the serially numbered PPD and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoter or promoter group or persons related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

STATUS (Please ✓ for applicable category)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Funds**
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds**	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*
*** Sponsor and Manager should be Indian owned and controlled.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with Motilal Oswal Investment Advisors Limited, Kotak Mahindra Capital Company Limited ("**Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, the Placement Document (when issued) and the confirmation of allocation note ("**CAN**") (when issued) and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this duly completed Application Form prior to the Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Lead Managers; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details, email- id, and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Rajasthan at Jaipur(the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Lead Managers, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled "***Risk Factors***" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (10) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (11) we have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (12) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (13) we satisfy any and all relevant suitability standards for investors in Equity Shares; (14) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where those offers and sales are made; and (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S).

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

BIDDER DETAILS (in Block Letters)	
NAME OF BIDDER*	
NATIONALITY	
REGISTERED ADDRESS	
CITY AND CODE	
COUNTRY	

MOBILE NO.			
TELEPHONE NO.		**FAX.**	
EMAIL			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NUMBER: ________________________________		
FOR MF	SEBI MF REGISTRATION NUMBER: _________________________________		
FOR SI-NBFCs	RBI REGISTRATION DETAILS: _________________________________		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS: _________________________________		
FOR AIFs***	SEBI AIF REGSITRATION NUMBER: _________________________________		
FOR VCFs***	SEBI VCF REGISTARION NUMBER: ________________________________		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION NUMBER: ________________________________		

[*]Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the Lead Managers.

[**]In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.

[***]Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER BY 3:30 P.M. (IST), [●], 2024 ("Closing Date")	
Name of the Account	GRAVITA INDIA QIP ESCROW ACCOUNT
Name of the Bank	RBL BANK Limited
Address of the Branch of the Bank	RBL Bank Limited Shop no 1,Ground Floor, Silver Square,Bhagwandas Road Jaipur - 302001
Account Type	Escrow Account
Account Number	409965465859
IFSC	RATN0000213
LEI Number	335800PL6PSIRCLKWV57
Email and telephone no.	deepak.khulbe1@rblbank.com; +91 96436 92281

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "*GRAVITA INDIA LIMITED QIP ESCROW ACCOUNT*". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS									
Depository Name (Please ✓)	National Security Depository Limited								Central Depository Services (India) Limited
Depository Participant Name									
DP – ID	I	N							
Beneficiary Account Number									(16 digit beneficiary account. No. to be mentioned above)
The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**									

You are responsible for the accuracy of the bank account details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID		PRICE PER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In figures)	(In words)

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL		**MOBILE NO.**	

OTHER DETAILS	
PAN*	
Date of Application	
LEI	[●]
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED

Attested/ certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of Power of Attorney
- ☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company, in consultation with the Lead Managers.

(3) The duly filed Application Form along with all enclosures shall be submitted to the Lead Managers either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.