

GRAVITY (INDIA) LIMITED



Registered Office: Shree Rajlaxmi Commercial Complex, Building No. "Q" Gala No-17-Gr Fr.
Thane Bhiwandi Road, Village Kalher, Bhiwandi - 421302 (INDIA)
Email : acctbillingdnh@gmail.com / Tel: (91) 7035331332

www.gravityindia.net
CIN : L17110MH1087PLCO42899

GIL/BSE/13/24-2025

September 05 , '24

To,
Corporate Relations Department
BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Scrip Code: 532015
Class of Security: Equity

Subject: Notice of 37th Annual General Meeting ('AGM') of the Company for the Financial Year 2023-24

Dear Sir/ Madam

we wish to inform you that the 37th Annual General Meeting ("AGM") of the Company will be held on Monday, 30th September, 2024 at 1:00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") .

Pursuant to Regulation 30 read with Para A of Schedule III of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the Notice of the 37th AGM of Gravity (India) Limited along with the Annual Report for the Financial Year 2023-24, which is being sent through electronic mode to the Members whose email addresses are registered with the Company/ Registrar & Share Transfer Agent/ Depository Participant(s) on 3rd September 2024.

The integrated Annual Report for the Financial Year 2023-24 along with the Notice of the 37th AGM is also available on the website of the Company at <http://www.gravityindia.net>

This is for your information and records

**For and on behalf of the Board of Directors,
Gravity (India) Limited,**

Yours Faithfully
For Gravity (India) Limited

VARUN

RASIKLAL

Varun Thakkar
Managing Director
DIN: 00894145

Digitally signed by
VARUN RASIKLAL

THAKKAR

Date: 2024.09.05
12:37:18 +05'30'



GRAVITY[®]
F A B R I C S
G A R M E N T S

GRAVITY (INDIA) LIMITED

www.gravityindia.net

37th
ANNUAL REPORT
2023-2024



GRAVITY (INDIA) LIMITED

37TH ANNUAL REPORT 2023-24

CIN NO. L17110MH1987PLC042899

Mr. Varun Thakkar

Chairman & Managing Director
(DIN: 00894145)

Mrs. Dakshaben R Thakkar

Director
(DIN: 005768846)

Mr. Samir Ruparelia

Independent Director
(DIN: 08551666)

Ms. Dipti Kadam

Independent Director
(DIN :10218863)

CFO

Jay Thakkar

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Shreya Chawak

BANKERS

Bank of Baroda

PLANT LOCATION

Survey No 10/1, Village Khutali,
Khavnvel, Dudhani Road, Silvassa,
Union Territory of Dadra & Nagar Haveli.

REGISTERED OFFICE

Shree Rajlaxmi Commercial Complex, ,
Building No Q17, Gr.Floor, Thane Bhiwandi
Road, Bhiwandi 421302. India.

- 1 Notice of AGM
- 2 Directors' Report
- 3 Details of Remuneration as per Section 197(12) of the Companies Act 2013
- 4 Secretarial Audit Report
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- 6 Management Discussion and Analysis Report
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NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the Members of Gravity (India) Limited ("the Company") will be held on **Monday, 30th September, 2024 at 1:00 p.m. (IST)** through **Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") ONLY** to transact the business as set out in this Notice. The Registered office of the Company shall be deemed to be the venue for this Meeting.

ORDINARY BUSINESS:

Item no. 1: Adoption of Financial Statements:

To receive, consider and adopt the Audited Financial Statements (Standalone) for the Financial Year ended 31st March, 2024, and the Reports of Board of Directors and Auditors thereon.

Item No. 2: Retirement by Rotation

To appoint a director in place of **Smt. Dakshaben Rasiklal Thakkar (DIN: 00576846)** who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.

SPECIAL BUSINESS

Item No. 3: Re - Appointment of Samir Bipinkumar Ruparelia (DIN - 08551666) as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Samir Bipinkumar Ruparelia (DIN - 08551666), who was re-appointed as an Additional Independent Director of the Company with effect from 14th August, 2024 under Section 161 of the Companies Act, 2013, and the Articles of Association of the Company for the 2nd Term and who holds office upto the date of this Annual General Meeting, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director, and being so eligible, be appointed as an Independent Director to hold office for the 2nd term for the period of 5 (Five) consecutive Years commencing from 14th August, 2024 till 13th August 2029."

BY ORDER OF THE BOARD GRAVITY (INDIA) LIMITED

Varun Thakkar

Chairman & Managing Director

DIN: 00894145

Place: Thane

Date: 07.08.2024

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and 10/2022 dated 28.12.2022 and Circular No 09/2023 dated 25.09.2023 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company on 9th September 2024 . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 and Circular No 10/2022 dated 28.12.2022 and Circular No 09/2023 dated 25th September 2023

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on, Friday 27th September, 2024 at 9:00 A.M. and ends on Sunday 29th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e Monday, 23rd September 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 23rd September 2024

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p>

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.

3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>

4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be

	provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail Avigopwani83@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password**" or "**Physical User Reset Password**" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Anubhav Saxena at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to csgravityindia@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to csgravityindia@gmail.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

B.THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at csgravityindia@gmail.com. The same will be replied by the company suitably.
6. Members who would attend the AGM through VC/OAVM and who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, demat account number/folio number, email id, mobile number at csgravityindia@gmail.com by 23rd September 2024 (5:00 p.m. IST). The members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

D. OTHER INSTRUCTIONS

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.gravityindia.net and on the website of NSDL <https://www.evoting.nsdl.com> immediately.

EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING NOTICE

(Under Section 102 of Companies Act, 2013)

Item No. 3:

Mr. Samir Bipinkumar Ruparelia (DIN - 08551666) was appointed by the Board of Directors in the meeting held on 12th August 2019 for 1st term and his 5 years tenure was completed on 13th August 2024. During his tenure of 5 years the contribution and guidance provided by Mr. Samir Ruparelia has been very satisfactory. Therefore the company has decided to Re-Appoint him for 2nd term.

Further on the recommendation of Nomination and Remuneration Committee The Board of Director in the Meeting held on 7th August 2024 has reappointed Mr. Samir Bipinkumar Ruparelia (DIN_- 08551666) as an Additional Independent Director to holds office upto the date of this Annual General Meeting, in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing appointment of Mr. Samir Bipinkumar Ruparelia (DIN - 08551666) as an Independent Director to hold office for the 2nd term for the period of 5 (Five) consecutive Years commencing from 14th August, 2024 till 13th August 2029. In term of provision of companies Act 2013 the Independent Directors shall not be liable for retire by rotation

Copy of the draft letter for appointment of Mr. Samir Bipinkumar Ruparelia (DIN - 08551666) as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mr. Samir Bipinkumar Ruparelia (DIN - 08551666) and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 03 of the Notice. The Board recommends the Special Resolution set out at Item No. 03 of the Notice for approval by the shareholders.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard 2 issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

This information forms a part of the Notice and Explanatory Statement for the 37th Annual General Meeting:

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 issued by ICSI:

Name of the Director	Mrs. Dakshaben Rasiklal Thakkar	<u>Samir Bipinkumar Ruparelia</u>
Date of Birth	04/03/1957	07/11/1981
Date of Appointment	13/03/1987	14/08/2024
Qualifications	S.S.C	Diploma in Computer Engineer
Directorship in other Companies	None	None
Committee Positions in Gravity (India) Limited	Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholder's Relationship Committee - Member (Chairperson)	Audit Committee - Chairman Nomination & Remuneration Committee - Chairman Stakeholder's Relationship Committee - Member
Committee Positions in other Public Limited Companies	None	None
Relation between Directors	Mother of Mr. Varun Thakkar, Managing Director and Wife of Mr. Rasiklal Thakkar, Promoter	NIL
Number of Shares held in Gravity (India) Limited	8,71,751	28,034

By Order of the Board Gravity (India) Limited

Varun Thakkar
Chairman & Managing Director
DIN: 00894145

Place: Thane

Date: 07.08.2024

DIRECTOR'S REPORT

To

The Members,

Gravity (India) Limited,

The Directors of your Company are pleased to present the Annual Report on the business and operations of the Company and the accounts for the financial year ended on 31st March, 2024

1. Financial Results:

(Amount In Lacs.)

Particulars	31.03.2024	31.03.2023
Turnover	225.45	1023.63
Total Revenue	227.60	1027.29
Less: Total Expenditure	1043.93	1123.68
Profit/loss before exceptional items, Extra-ordinary item and tax	(816.33)	(96.39)
Exceptional items	0	0
Profit / (loss) before tax	(816.33)	(96.39)
Less: Provision for tax/deferred tax	-199.99	-3.12
Net Profit/Loss after tax	(616.34)	(99.51)

2. Share Capital:

The Authorized Share Capital of the Company is divided into 1,50,00,000 Equity Shares of Rs.10/- each, aggregating to Rs. 15,00,00,000 (Rupees Fifteen Crores only).

The Issued, Subscribed and Paid-up Capital is Rs. 9,00,19,500 (Nine Crores Nineteen Thousand Five Hundred only) divided into 9,001,950 Equity shares of Rs. 10/- each as on 31st March, 2024. There are no changes in share capital during the financial year.

3. Reserves:

During the year, the company has not transferred any amount to General Reserve.

4. Dividend:

With the view to conserve resources, the Board has not recommended any dividend for the year under review.

5. Operations:

During the year under review, the Sales turnover of the Company decreased from Rs. 1023.63 Lacs (Rupees Ten Crore Twenty Three Lacs Sixty Three Thousands Only) to Rs. 225.45 Lacs (Rupees Two crore Twenty Five Lakhs and Forty Five Thousands Only) in the current year. The net loss of the Company for the year is Rs. 616.34 Lacs (Rupees Six crore Sixteen Lakhs and Thirty Four Thousands Only) as against a net loss of Rs. 99.51 Lacs (Rupees Ninety Nine Lacs Fifty One Thousand only) in the previous year.

6. Material changes occurred between the end of the Financial Year to which the financial statements relate and the date of the Report:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this report.

7. Board of Directors and Composition:

The Board of Directors comprise of eminent, experienced and reputed Individuals of the Industry. During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

The Composition of the Board of Directors of the Company at the end of the Financial Year are as follows:

Name of the Director	DIN	Designation
Mrs. Dakshaben Rasiklal Thakkar	00576846	Non-Executive Non-Independent Director
Mr. Varun Rasiklal Thakkar	00894145	Managing Director
Mr. Samir Ruparelia	08551666	Independent Director
Ms. Dipti Kadam	10218863	Independent Director

During the Year Mrs. Prabhavati Venugopal Shetty (DIN: 01883922), Independent Director ceased to act as an Independent Director from the Board w.e.f 2nd June, 2023. On account of resignation Mrs. Prabhavati Venugopal Shetty (DIN: 01883922), Ms. Dipti Kadam (DIN: 10218863) has been appointed as an Independent Director of the Company w.e.f. 3rd August 2023.

Mrs. Dakshaben Rasiklal Thakkar (DIN: 00576846) who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.

Details of the Key Managerial Personnel of the Company

Name	Designation
Mr. Jay Rasiklal Thakkar	Chief Financial Officer
Mr. Varun Thakkar	Managing Director
Ms. Shreya Chawak	Company Secretary & Compliance Officer

8. Meetings of Board of Directors:

The Board has met 5 (five) times during the financial year 2023-24 on 29th May 2023, 3rd August 2023, 29th August 2023, 1st November 2023 and 1st February 2024. Details of attendance and other details of Board Meeting are specified in Corporate Governance Report.

9. Composition of Mandatory Committees at the end of the Financial Year:

Pursuant to the provisions stipulated in 18, 19 and 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has mandatorily formed the below mentioned Committees which shall be duly constituted. The Committee Meeting details are mentioned in Corporate Governance Reports.

The Constitution of the Committee at the end of the Financial Year are as follows:

Name of Committee	Constitution of the Committee
Audit Committee	Mr. Samir Ruparelia Chairman of the committee Independent Director
	Ms. Dipti Kadam Member Independent Director
	Mrs. Dakshaben Thakkar, Member Non-Executive - Non-Independent Director,
Nomination and Remuneration Committee	Mr. Samir Ruparelia Chairman of the committee Independent Director
	Ms. Dipti Kadam Member Independent Director
	Mrs. Dakshaben Thakkar, Member Non-Executive - Non-Independent Director,
Stakeholders Grievances Committee	Mrs. Dakshaben Thakkar, Chairperson of the committee Non-Executive - Non Independent Director
	Ms. Dipti Kadam Member Independent Director
	Mr. Samir Ruparelia Member Independent Director

During the Year Mrs. Prabhavati Venugopal Shetty (DIN: 01883922), Independent Director ceased to act as an Independent Director from the Board w.e.f 2nd June, 2023. On account of resignation of Mrs. Prabhavati Venugopal Shetty (DIN: 01883922) Ms. Dipti Kadam (DIN: 10218863) has been appointed as an Independent Director of the Company to hold office for the period of 01st term of 5 (Five) consecutive Years commencing from 3rd August, 2023 till 2nd August 2028.

The Details of NRC Policy are included in Corporate Governance report.

10. Independent Directors:

Mrs. Prabhavati Venugopal Shetty (DIN: 01883922), Independent Director ceased to act as an Independent Director from the Board w.e.f 2nd June, 2023. On account of resignation of Mrs. Prabhavati Venugopal Shetty (DIN: 01883922), Ms. Dipti Kadam (DIN: 10218863) has been appointed as an Independent Director of the Company to hold office for the period of 01st term of 5 (Five) consecutive Years commencing from 3rd August, 2023 till 2nd August 2028.”

The Company has received declaration from all the Independent Directors of the Company under Section 149(7) the Companies Act, 2013 and the SEBI (LODR) Regulation. The Independent Directors meet once a year. The details of the meeting are included in the Corporate Governance Report.

11. Public Deposits:

The Company has not accepted any deposits within the meaning of Section 73 & 74 and hence no disclosure is required in this respect of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

12. Listing of Company's Shares:

Your Company's Equity Shares continue to be listed on the Bombay Stock Exchange, Mumbai in the Indo Next(S) Group. The annual listing fee for the year 2023-24 has been paid to the Bombay Stock Exchange, Mumbai.

13. Director's Responsibility Statement:

In terms of Section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company hereby state & confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed and that no material departures have been made from the same;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors, have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. Board Evaluation:

The Board of Directors have carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The performance of the Board and Committees was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The Board and the nomination and remuneration committee reviewed the performance of the individual Directors. On the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The Board of Directors of the Company believe that the Independent Directors of the Company carry their duties with integrity and expertise and have required experience to work towards the vision of the Company.

In a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive Directors and non-executive Directors. The same was discussed in the Board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

15. Auditors:

M/s. A. R. Sodha & Co, (Firm Registration No. 110324W) A Chartered Accountant Firm, were appointed in the 35th Annual General Meeting (AGM) by the shareholders as the Statutory Auditors of the Company for a period of 3 years i.e., until the 38th AGM to be held in the year 2025 on such a remuneration as may be fixed by the Board of Directors from time to time. The Auditor have shared their consent and eligibility to continue as Statutory Auditor for the Financial Year 2024-25.

16. Accounting Standards and Accounting Policies:

The financial statements of the Company are prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India, which forms part of the Annual Report. Indian Accounting Standards (Ind AS). The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

For all periods up to and including the Year ended 31st March, 2024, the Company has prepared its Financial Statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Indian Accounting Standards (Ind AS)

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The Financial Statements are presented in Indian Rupees ("INR") and all amounts are rounded to the nearest Lakhs, except as stated otherwise.

17. Auditor's Report:

The Observation, comments & remarks referred to in the Auditors' report are self-explanatory and do not require any further comments.

18. Secretarial Auditors:

Pursuant to Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ainesh Jethwa & Associates, Practicing Company Secretary, to undertake the Secretarial Audit for the year financial Year 2023-24 . The Secretarial Audit Report is annexed as **Annexure-2** to this report.

The Secretarial Auditors have also issued the Annual Secretarial Compliance Certificate, for the financial year ending 31st March 2024. The same is available on the Stock Exchanges and the website of the company.

19. Reply to Comments on the Report of the Secretarial Auditors:

The Board of Director have taken note of Comments in Secretarial Audit Report and are undertaking steps for ensuring due compliances of provisions as stated therein.

20. Corporate Governance:

A separate section on Corporate Governance pursuant to Regulation 34 and Schedule V of the SEBI (Listing and Disclosure Requirements) Regulations, 2015 is included in the Annual Report as **Annexure-5** and forms a part of this report. The Company has voluntarily submitted this disclosure to the members.

21. Internal Financial Control Systems and their adequacy:

The management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the audit on regular basis and the Audit Committee actively reviews internal audit reports and effectiveness of internal control systems.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

22. Management Discussion and Analysis Report:

In accordance with the Listing Regulations, the Management Discussion and Analysis Report is attached as **Annexure - 4** and forms part of this report.

23. Related Party Disclosures:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. The details of the transactions are elaborated in Form AOC-2 which is an annexed to this report **Annexure-3**. The Company has a Related Party Transaction Policy as per Company Act 2013 & Listing Regulations, the same has been reviewed by Board of Directors in its meetings held on 29th May 2023, 3rd August 2023, 29th August 2023, 1st November 2023, and 1st February 2024.

24. Conservation of energy, technology absorption and foreign exchange earnings:

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ending March 31, 2024 is as follows:

(a) Conservation of energy:

Your company consumes minimum energy and strives to reduce energy consumption. Your company is conscious about its responsibility to conserve energy, power and other energy sources wherever possible. We emphasis towards a safe and clean environment and continue to adhere to all regulatory requirements and guidelines. The manufacturing team works under the guidance of expert engineers of the Company continuously strives and devises various means to conserve energy and identify methods for the optimum use of energy.

(b) Technological absorption:

The Company is planning to buy new Jacaquad textile machine during the year 2024 to 2025 to upgrade the existing capacity. The quotations for the same have also been called for.

(c) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Foreign Exchange Earning: Rs. NIL

Foreign Exchange Outflow: Rs. NIL

25. Code of Conduct:

The Board of Directors had approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day-to-day business operations of the Company.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Members of the Board and the Senior Managerial Personnel in their business dealings, at workplace, in dealing with various stakeholders etc.

All the Board Members and Senior Managerial Personnel periodically affirm and confirm compliance to the Code of Conduct. Further the Certificate of Compliance with the Code of Conduct is appended to the Corporate Governance Report.

26. Risk Management Policy:

During the year, the Management of the Company had evaluated the existing Risk Management Policy of the Company. The Risk Management policy has been reviewed and found adequate and sufficient to the requirement of the Company. The Management has evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

27. Vigil Mechanism for Directors and Employees:

Vigil mechanism is established for Directors and Employees to report their grievance and concerns. The details of the same are mentioned in the Corporate Governance Report.

28. Particulars of Loans, Guarantees or Investments u/s 186:

The Company has made no loans, advances or guarantee during the year 2023-24.

29. Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The Board is responsible for implementation of the Code. All the Directors and Designated employees have confirmed compliance with the Code of Conduct.

30. Disclosure under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act 2013:

The Company has believed in providing a safe and harassment free environment at work place for each and every employee of the Company. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. Proper care is being taken by the Company in order to provide a safe and harassment free work place. No Complaints have been received during the financial year under review.

31. Corporate Governance Report from Statutory Auditors:

Certificate from the Statutory Auditor, M/s. A. R. Sodha & Co, (Firm Registration No 110324W), A Chartered Accountant Firm confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing and Disclosure Requirements) Regulations, 2015, is annexed to the Corporate Governance Report forming part of the Annual Report.

32. Particulars of Employees:

No Employee of the Company draws a salary exceeding Rupees One Crore and Two Lakh per annum or Rs. 8,50,000 (Rupees Eight Lakhs and Fifty thousand) per month during the financial year. The details of employees' remuneration required under Rule 12 is attached to this Report as **Annexure - 1**.

33. Employee Relations:

Relations with the employees remained cordial. The Directors wish to place on record their appreciation for their cooperation received from the employees at all levels.

34. Extract of Annual Return:

The Annual Return of the Company can be accessed from the website of the Company at www.gravityindia.net

35. Other Disclosures:

- (a) The Company is not required to maintain any cost records for any products U/s 148 of the Companies Act, 2013.
- (b) The Board u/s 118 (10) of Companies Act, 2013 has ensured due compliance of provision of Secretarial Standards I and II issued by Institute of Company Secretaries, India (ICSI).
- (c) As the Company does not meet criteria specified under Section 135 of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable and hence no separate annexures or details are given for the same in this Report.
- (d) There are no frauds reported U/s 143 (12) of the Companies Act, 2013, by the Statutory Auditors or Secretarial Auditors of the Company.

- (e) There are no holding, subsidiaries or associate companies of Gravity (India) Ltd. Hence, no separate disclosure is provided in this regard.
- (f) There are no disclosures required to be given under equity shares with different right, ESOP or Sweat equity as company has not used any such securities.
- (g) The Nomination & Remuneration policy of the company is available on the website of the company www.gravityindia.net and brief details of the same are included in Corporate Governance Report

36. Acknowledgements:

The Board expresses its gratitude and appreciates the assistance and co-operation received from the Creditors, Banks, Government Authorities, Customers and Shareholders during the year under review.

For and on behalf of the Board of Directors

Varun Rasiklal Thakkar

Chairman & Managing Director

DIN: 00894145

Place: Thane

Date :07.08.2024

Annexure-1

DETAILS PERTAINING TO THE REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1) Ratio of the Remuneration of each Executive Director to the Median Remuneration of the Employees of the Company and Percentage increase in Remuneration of each Executive Director, Chief Financial Officer, Chief Executive Director and Company Secretary for the Financial Year 2023-24 as under:

Sr. No.	Name of Director/ KMP	Designation	Ratio of Remuneration to each Director and KMP to median remuneration of Employees (on 31st March, 2024)	% increase in Remuneration in FY 2023-24
1.	Mr. Varun Thakkar	Chairman and MD	0.1:1	NA
2.	Mr. Jay Thakkar	Chief Financial Officer	0.05:1	NA
3.	Ms. Shreya Chawak	Company Secretary	NA	NA

2) **The Percentage increase in the Median Remuneration of Employees in the Financial Year:**
NIL

3) **The number of Permanent Employees on the rolls of Company:** 30 (Excluding Secretary and CFO)

4) **Average percentile increases already made in the salaries of Employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:** NIL

5) **Affirmation that the Remuneration is as per the Remuneration Policy of the Company:**

The Company affirms Remuneration is as per the Remuneration Policy of the Company.

Appropriate approvals have been taken for related party transactions.

No amount was paid as advance.

For and on behalf of the Board of Directors

Varun Rasiklal Thakkar

Chairman & Managing Director

DIN: 00894145

Place: Thane

Date: 07.08.2024

Annexure 2

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment & Remuneration of Managerial Personnel) Rules, 2014]**

**To,
The Members,
M/s. Gravity (India) Limited**

Building No. Q, Office No. - 17, Rajlaxmi
Commercial Complex, Thane Bhiwandi Road,
Village Kalher, Bhiwandi, Thane - 421302

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Gravity (India) Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on March 31, 2024 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and amendments from time to time;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments from time to time;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and amendments from time to time ***(Not applicable to the Company during the Audit Period)***;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ***(Not applicable to the Company during the Audit Period)***;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ***(Not applicable to the Company during the Audit Period)***;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ***(Not applicable to the Company during the Audit Period)*** ;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not applicable to the Company during the Audit Period)***.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (As amended), 2015; AND
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) As informed by the Company, no other law is applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following as amended from time to time:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited, Mumbai.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

1. The Company is required to maintain updated website in compliance with Regulation 46 (1) (2) & (3) of SEBI (LODR) Regulation, 2011.

2. In terms of Regulation 33 of SEBI (LODR) Regulations, 2015 read with notice/ circular DCS/COMP/28/2016-17 dated March 30, 2017, the Company was required to make their filings in respect of Financial Results (Regn 33) in XBRL mode within 24 hours of submission of results in PDF mode. *However there was a delay of 1 (One) day in submission of Financial Results in XBRL mode for half year ended 30.09.2023. i.e. the meeting was held on 01.11.2023 considering Unaudited Financial Statements for half year ended 30.09.2023 and the XBRL mode filing was done on 03.11.2023.*

3. In terms of Regulation 23(9) of SEBI (LODR) Regulations, 2015, the Company was required submit the Related Party Transaction Statement on the date of publication of its Standalone and Consolidated Financial Results with effect from April 1, 2023. *However there was a delay of 2 days (Two) each in submission of XBRL for Statement of Related Party Transactions (RPTs) for the half year ended 31.03.2023 and 30.09.2023. i.e.*

- *At first instance the XBRL filing of RPTs for the half year ended 31.03.2023 was required to be done on the day of Board Meeting considering the Audited Financial Results on 29.05.2023 and same was done on 31.05.2023*

- *At second instance the XBRL filing of RPTs for the half year ended 30.09.2023 was required to be done on the day of Board Meeting considering the Un-audited Financial Results on 01.11.2023 and same was done on 03.11.2023.*

4. Pursuant to BSE Notice No. 20230127-37 Notice Date 27th January, 2023, the Companies was required to file also Prior intimation of calling its Board meeting in XBRL mode as well under Regulation 29 of the SEBI (LODR) Regulations, 2015 within 24 hours of submission of the PDF filing/reporting.

- *However the Company has not filed prior intimation in XBRL mode for the intimations given by the Company calling Board meetings dated 16.05.2023, 24.07.2023 and 22.08.2023.*

- *Further there was a delay of 2 (Two) days in filing of XBRL prior intimation for Board Meeting dated 20.10.2023 and XBRL filing was done on 23.10.2023.*

5. Pursuant to BSE Notice No. LIST/COMP/13/2019-20 dated 16th May, 2019 readwith Regulation 34 of SEBI (LODR), Regulations, 2015; the Company was required to file its Annual Report for F.Y. 2022-23 in XBRL mode in addition to the PDF mode at the same time when the listed entities file Form AOC-4 (XBRL) with Ministry of Corporate Affairs. *However the Company has not filed Annual Report of the Company for F.Y. 2022-23 in XBRL mode.*

6. Pursuant to BSE Notice No. 20230331-87 dated 31st March 2023, readwith Regulation 30 of SEBI (LODR), Regulations, 2015; w.e.f. April 01, 2023 the Company was required to also submit the Notices of Shareholders Meeting in XBRL mode within 24 hours of submission of the said PDF filing. *However the Company has not made such reporting in XBRL mode towards Notices of Shareholders Meeting in connection with the Annual General Meeting of the Company for F.Y. ended 2022-23.*

7. Pursuant to BSE Notice No. 20231208-34 dated 8th December, 2023 w.e.f. 09.12.2023; the Company was required to also submit the announcement towards closure of its Trading Window in XBRL mode within 24 hours of submission of the said PDF filing. *However the Company has not made such filings in XBRL mode towards announcement for Closure of Trading Window in cases of notice given by the Company in PDF form dated 30.12.2023 for quarter ended December, 2023.*

8. Pursuant to BSE circular no. 20230331-87 dated March 31, 2023 readwith BSE Notice No. 20230516-36 dated 16th May, 2023, the Company was required to also submit the XBRL in connection with the appointment/re-appointment/ resignation of Internal, Secretarial and Statutory Auditors, Independent Directors, etc of the Company mode within 24 hours of submission of the said PDF filing. *However the Company has made a delay of around 2 hours in filing of XBRL in connection with the appointment of Ms. Dipti Kadam as an Independent Director of the Company. The PDF file was filed with the exchange on 03.08.2023 at around 05.54 p.m. and XBRL reporting was done on 04.08.2023 at 07.07 p.m. i.e. post 24 hours of submission of the said PDF filing.*

9. The Compliance Certificate under Regulation 7(3) of SEBI (LODR) Regulations, 2015 for F.Y. ended 31.03.2023 submitted by the Company to the exchange has to be signed by the Company Secretary designated as Compliance Officer of the Company. *However the same was signed by Mr. Varun Thakkar, as Managing Directors of the Company.*

I further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes made in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) As per the Minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board were approved by either by unanimous way or by majority and no dissenting views have been recorded.

(iv) There are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

(v) All Independent Directors of the Company were registered as an independent director in the independent Directors databank maintained by the IICA.

I further Report that, during the audit period of the Company: There was no instance of: Demerger/ Restructuring/ Scheme of Arrangement.

I further Inform/report that during the year under review, the following events or actions had a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., that

1. The Company has appointed Ms. Dipti Vasant Kadam (DIN: 10218863), as an Additional Director in the category of Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. August 03, 2023 and further regularized her appointment as Non-Executive Independent Director of the Company at the 36th AGM held on September 27, 2023.

2. During the audit period, Mrs. Prabhavati Venugopal Shetty (DIN: 01883922) resigned from the Board as a Non-Executive Independent Director and Member of the Committees of the Company w.e.f. June 2, 2023 with person reason viz she was not be able to travel for long distance.

3. As per the paid up capital structure and net worth of the Company, the company was eligible to claim exemption given under regulation 15(2) of the SEBI (LODR) Regulations, 2015 for compliance of regulations 17 to 27 of the SEBI (LODR) Regulations, 2015. However company voluntarily opts to comply with such regulations.

I further report that, my audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the Company and we are not responsible for any lapses in those compliances on the part of the Company.

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

**For Ainesh Jethwa & Associates
(Company Secretary in Practice)
Firm PRN: 1727/2022**

**Aineshkumar Jethwa
(Proprietor)
Mem No.: 27990 | COP No.: 19650
UDIN: A027990F000917263
Place: Mumbai
Dated: 07/08/2024**

Annexure to the Secretarial Audit Report

To,
The Members,
M/s. Gravity (India) Limited
Building No. Q, Office No. - 17, Rajlaxmi
Commercial Complex, Thane Bhiwandi Road,
Village Kalher, Bhiwandi, Thane - 421302

Our report of even date is to be read along with this letter.

Management's Responsibility

1) It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4) Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ainesh Jethwa & Associates
(Company Secretary in Practice)
Firm PRN: 1727/2022

Aineshkumar Jethwa
(Proprietor)
Mem No.: 27990 | COP No.: 19650
UDIN: A027990F000917263
Place: Mumbai
Dated: 07/08/2024

Annexure-3

FORM No. AOC - 2

As on the Financial Year ended 31st March, 2024

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts/arrangements entered into by the Company with related Parties referred to in sub-section (1) of section 188 of the Companies act, 2013 including certain arm's length Transactions under third proviso thereto:

1. Details of Contracts or arrangements or Transactions not at arm's length basis:

- (a) Name(s) of the Related Party and nature of relationship: NIL
- (b) Nature of Contracts/Arrangements/Transactions: NIL
- (c) Duration of the Contracts / Arrangements/Transactions: NIL
- (d) Salient terms of the Contracts or Arrangements or Transactions including the value, if any: NIL
- (e) Justification for entering into such Contracts or Arrangements or Transactions: NIL
- (f) Date(s) of approval by the Board: NIL
- (g) Amount paid as advances, if any: NIL
- (h) Date on which the Special Resolution was passed in General Meeting as required under first provision to Section 188 of the Companies Act, 2013: NIL

2. Details of material Contracts or arrangement or Transactions at arm's length basis:

Amount in Lacs

Name of the related Party and Nature of relationship	Nature of Contracts/ arrangements/ Transaction	Duration of the Contracts / arrangements/ Transactions	Salient terms of the Contracts or arrangements or Transactions including the value, if any (in Rs.)	Date(s) of approval by the board, if any	Amount paid as advances, if any
Mr. Varun Thakkar (KMP)	Remuneration	On-Going	8.40	Noted & reviewed on quarterly basis.	-
Mr. Jay Thakkar	Remuneration	On-Going	3.00	Noted & reviewed on quarterly basis	

Rammaruti Textiles Pvt Ltd. Enterprises where KMP has significant influence)	Rent Received	On-Going	1.92	Noted & reviewed on quarterly basis	
Rammaruti Textiles Private Limited (Enterprise in which relative of KMP and KMP has control/ significant influence)	Reimbursement Received for Electricity Expenses	On-Going	30.67	Noted & reviewed on quarterly basis.	-
Shivani Textiles (Enterprise in which relative of KMP and KMP has control/ significant influence)	Reimbursement Received for Electricity Expenses	On-Going	9.98	Noted & reviewed on quarterly basis.	-

Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

For and on behalf of the Board of Directors

Varun Rasiklal Thakkar
Chairman & Managing Director
DIN: 00894145

Place: Thane

Date: 07.08.2024

Annexure-4

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of **Gravity (India) Limited**, is pleased to present its report analyzing the Company's operations in the textile industry segment. The report contains expectations of the Company's business based on the current market environment.

INDUSTRY OVERVIEW

The global textile industry has shown significant growth, driven by increasing consumer demand, advancements in technology, and the expansion of e-commerce. In 2023, the industry was valued at approximately USD 1.2 trillion, with expectations to reach USD 1.5 trillion by 2026, growing at a compound annual growth rate (CAGR) of 5%. Key segments include apparel, home textiles, and industrial textiles, with apparel being the largest segment.

INDIAN TEXTILE

The home textile export from India faced a sharp decline. Cotton - made bed sheets had to compete with products made from manmade fibres which were substantially cheaper. Demand came only for lower - count products, but at very low price.

KEY MARKET TRENDS

- 1. Sustainability and Eco-friendly Products:** There is a growing consumer preference for sustainable and eco-friendly textiles. Companies are increasingly adopting sustainable practices, such as using organic materials, reducing water consumption, and implementing recycling programs.
- 2. Technological Advancements:** Innovations such as smart textiles, which incorporate technology for various functionalities, are gaining traction. Automation and digitalization in manufacturing processes are improving efficiency and reducing costs.
- 3. E-commerce Expansion:** The rise of e-commerce platforms has significantly impacted the textile industry. Online sales are growing, providing opportunities for companies to reach a broader audience.
- 4. Changing Consumer Preferences:** There is a shift towards comfortable and casual wear, especially influenced by the work-from-home culture. Additionally, customization and personalization of products are becoming more popular.

FINANCIAL PERFORMANCE

For the fiscal year 2023-24 , the textile industry exhibited mixed performance across different regions and segments. Companies with a strong online presence and those that adopted sustainable practices performed better than those relying solely on traditional brick-and-mortar retail.

Further for in 2023-24 the Sales turnover of the Company decreased from Rs. 1023.63 Lacs (Rupees Ten Crore Twenty Three Lacs Sixty Three Thousands Only) to Rs. 225.45 Lacs (Rupees Two crore Twenty Five Lakhs and Forty Five Thousands Only) in the current year. The net loss of the Company for the year is Rs. 616.34 Lacs (Rupees Six crore Sixteen Lakhs and Thirty Four Thousands Only) as against a net loss of Rs. 99.51 Lacs (Rupees Ninety Nine Lacs Fifty One T thousand only) in the previous year.

STRATEGIC INITIATIVES

1. Expansion into New Markets : Companies are exploring opportunities in emerging markets, particularly in Asia and Africa, where there is growing demand for textile products.
2. Sustainability Efforts: Many companies have set ambitious sustainability goals, including reducing carbon footprints, water usage, and waste. Partnerships with eco-friendly suppliers and adoption of green technologies are critical components of these efforts.
3. Digital Transformation : Investment in e-commerce platforms, digital marketing, and data analytics is a priority to enhance customer engagement and streamline operations.
4. Product Innovation : Developing new product lines, such as smart textiles and high-performance fabrics, is a key strategy to meet changing consumer demands and differentiate from competitors.

RISKS AND CHALLENGES

1. Raw Material Price Volatility: Fluctuating prices of raw materials, such as cotton and synthetic fibers, pose a significant risk to profitability.
2. Supply Chain Disruptions: The global supply chain remains vulnerable to disruptions caused by geopolitical tensions, natural disasters, and pandemics.
3. Regulatory Compliance: Adherence to stringent environmental and labor regulations can increase operational costs and affect competitiveness.
4. Market Competition: The industry is highly competitive, with numerous players vying for market share. Maintaining differentiation and innovation is crucial to stay ahead.

OUTLOOK

The coming year will be challenging with respect to pricing. We have to focus more on offering new products and meeting customer retail price points. Also focus will be on blending with manmade fibres that can fit into the price bracket acceptable to buyers. Overall, the textile market is sombre and expected to take around one quarter to stabilize. Further, we must navigate the challenging period by differentiating ourselves through innovation and quality. The manufacturers who will be able to address these challenges, while also differentiating themselves through innovation and quality, are likely to be successful in times to come.

The textile industry is poised for moderate growth in the coming years, supported by technological advancements, increasing consumer demand for sustainable products, and the expansion of e-commerce. Companies that prioritize sustainability, digital transformation, and innovation are likely to perform better. However, managing supply chain risks and raw material price volatility will be essential for maintaining profitability

In conclusion, the textile industry is navigating through a transformative phase, with significant opportunities and challenges. Strategic initiatives focused on sustainability, technology, and market expansion will be key drivers of success in the evolving landscape.

For and on behalf of the Board of Directors

Varun Rasiklal Thakkar
Chairman & Managing Director
DIN: 00894145

Place: Thane

Date:07.08.2024

Annexure-5

CORPORATE GOVERNANCE REPORT

Corporate Governance provides a principle process and structure through which the objectives, the means of attaining the objectives and systems of monitoring performance are also set. Corporate Governance is a set of accepted principles by management of the alienable rights of the Shareholders as a true owner of the corporation and of their own role as trustees on behalf of the shareholders. It is about:

- a) Commitment to the values;
- b) Ethical Business Conduct;
- c) Transparency;
- d) Clear distinction between personal and corporate funds in the Management of the Company;
- e) Compliance with all the regulators;
- f) Sustainable value creation for all shareholders.

Corporate Governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. In this background the Board of Directors and the senior management have a special responsibility to ensure that the principles of Corporate Governance such as transparency, accountability, discharge of fiduciary duties, Compliance requirements and above all, shareholder interest are always at the center of the Company's activities. Company's Governance framework is based on the following main principles:

- a) Constitution of a Board of Directors of appropriate composition, size and commitment to discharge their responsibilities and duties;
- b) Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively;
- c) Independent verification and safeguarding integrity of the Company's financial reporting;
- d) A sound system of risk management and internal control;
- e) Timely and balanced disclosure of all material information concerning the Company to all stakeholders;
- f) Transparency and accountability;
- g) Compliance with all the rules and regulations;
- h) Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

In accordance with Regulation 34 and Schedule V of the SEBI (Listing and Disclosure Requirements) Regulations, 2015 (LODR) and the best practices followed internationally on corporate governance, the details of governance systems and processes are as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company has complied with the requirement stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations 2015 ("SEBI Listing Regulation") as applicable with regard to corporate governance. The Company is committed to the consistent adherence to the said corporate governance code to maintain a greater degree of responsibility & accountability.

Your Company's philosophy on corporate governance envisages the attainment of highest level of transparency in accountability and equity in all facets of its operation and in all its interactions with its shareholders / employees, government and lenders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing over all shareholders' value over a sustained period of time.

2. BOARD OF DIRECTORS:

a) The Board of Directors consists of following four Directors as on 31st March, 2024

Mr. Varun Rasiklal Thakkar	Chairman & Managing Director, Promoter, Executive
Mrs. Dakshaben Rasiklal Thakkar	Promoter, Non-Executive
Mr. Samir Bipin Kumar Ruparelia	Non-Executive, Independent
Ms. Dipti Kadam	Non-Executive, Independent

b) The Meeting of Board of Directors during the financial year 2023-24 were held on:

1.	29 th May 2023
2.	3 rd August 2023
3.	29 th August 2023
4.	1 st November 2023
5.	1 st February 2024

c) The Annual General Meeting of the Company for the year ended 31st March, 2023 was held on 27th September 2023

d) The attendance of the Directors to the Meetings of the Board of Directors and to the Annual General Meeting of the Company is elaborated in the below mentioned table:

Meeting of the Board of Directors	Number of Meetings in the Financial Year 2023-24			
	Name of Directors	Category	Held	Attended
	Varun Rasiklal Thakkar	Executive Director, Managing Director	5	5
	Dakshaben Rasiklal Thakkar	Non-Executive Director	5	5
	Dipti Kadam	Non-Executive - Independent Director	4	4
	Samir Bipin Kumar Ruparelia	Non-Executive - Independent Director	5	5

During the Financial Year, all the Directors of the Company had attended the Annual General Meeting of the Company held on 27th September 2023.

e) The Number of Companies and Committees in which the Board Members are a member or chairperson are as follows:

Name of Director	Chairmanship/ Membership	Mr. Varun Thakkar	Mrs. Dakshaben Thakkar	Mr. Samir Ruparelia	Ms. Dipti Kadam
Number of Directorships in Other Public Companies	Chairperson/ Chairman	0	0	0	0
	Member	0	0	0	0
Number of Committees positions held in Other Public Companies	Chairperson/ Chairman	0	0	0	0
	Member	0	0	0	0

In accordance to regulation 18 and 20 of the SEBI (LODR) Regulations, 2015, Chairmanship/Membership of only Audit Committee and Stakeholder's Relationship Committee in all Public Companies excluding Gravity (India) Limited have been considered.

Disclosure of relationship between the directors inter-se: Mr. Varun Thakkar & Mrs. Dakshaben Thakkar are relatives.

f) Stake held by Non-executive Directors in the Company are as follows:

Name of Non-Executive Directors	Mrs. Dakshaben Thakkar	Mr. Samir Ruparelia	Ms. Dipti Kadam
Number of Shares	8,71,751	28,034	0
Number of Convertible Instruments	Not Applicable	Not Applicable	Not Applicable

g) The familiarization programs imparted to Independent Director is displayed on the website of the Company www.gravityindia.net

3. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 27th March 2024 inter alia, to:

A) REVIEWED THE PERFORMANCE OF NON-INDEPENDENT DIRECTORS AND OVERALL PERFORMANCE OF THE BOARD AS A WHOLE.

B) REVIEWED THE PERFORMANCE OF THE CHAIRPERSON OF THE COMPANY TAKING INTO ACCOUNT THE VIEWS OF EXECUTIVE AND NON- EXECUTIVE DIRECTORS OF THE COMPANY.

C) ASSESSED THE QUALITY, QUANTITY AND TIMELINESS OF FLOW OF INFORMATION BETWEEN THE COMPANY MANAGEMENT AND THE BOARD THAT IT IS NECESSARY FOR THE BOARD TO EFFECTIVELY AND REASONABLY PERFORM THEIR DUTIES.

D) CONSIDERED AND TOOK NOTE OF SEBI (LISTING AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015. ALL THE INDEPENDENT DIRECTORS WERE PRESENT AT THE MEETING.

All the independent Directors were present at the meeting.

4. AUDIT COMMITTEE:

The Board of Directors has constituted an Audit Committee of Directors constituted in line with the provisions of regulation 18 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 read with Section 177 of the Companies Act, 2013 and empowered the Committee to deal with all such matters which it may consider appropriate to perform as Audit Committee Including items specified in the Section 177 (4) of the Companies Act, 2013 as may be modified /amended from time to time), along with items specified in Part C of Schedule II in SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 under the head role of Audit Committee(as may be modified / amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The Chairman of the Audit Committee is an Independent Director of the Company.

Terms of reference

Overseeing Financial Reporting process and disclosure of financial information, to ensure that the Financial Statements are correct, sufficient and credible;

Recommending appointment and removal of the Statutory Auditors, fixation of Audit fee and approval for payment of any other services;

Reviewing with the Management, the periodical Financial Statements including of Subsidiaries/ Associates if any in particular the investments made by the unlisted Subsidiaries of the Company, before submission to the Board for approval;

Reviewing with the Management and the Statutory and Internal Auditors, the adequacy of Internal Control Systems and recommending improvements to the Management;

Reviewing the adequacy of Internal Audit function, approving Internal Audit plans and efficacy of the functions including the structure of the Internal Audit department, staffing, reporting structure, coverage and frequency of Internal Audit;

Discussion with Internal Auditor on any significant findings and follow-up thereon;

Reviewing the findings of any internal investigations by Internal Auditors into matters where there is suspected fraud or irregularity or failure of Internal Control Systems of a material nature and reporting the matter to the Board;

Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit, as well as post-audit discussions to ascertain any area of concern;

Reviewing the Management Discussion and Analysis of financial condition and results of operations, statement of significant Related Party Transactions, Management letters/letter of Internal Control Weakness issued by Statutory Auditors, Internal Audit Reports etc;

Reviewing the Company's Financial and Risk Management System. Scrutiny of Inter-corporate Loans and Investments;

Reviewing any subsequent modification of transactions with the Related Parties.

Reviewing the reasons for substantial defaults in the payments to the Depositors, Debentures holders, Shareholders (in case of non-payment of declared Dividends) and Creditors if any.

Besides the Committee Members, Chief Financial Officer and partners/other representatives of the firms of Statutory Auditors and Internal Auditors were also present at the Meetings to answer the queries raised by the Committee Members;

Establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed;

The Chairman of Audit Committee was present at 36th Annual General Meeting of the Company held on 27th September 2023;

To perform such other function(s) as may be delegated by the Board from time to time.

The Company Secretary acts as the Secretary of the Committee.

Pursuant to Regulation 18 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015.

Audit Committee Meetings held during the year were as follows:

1.	29 th May 2023
2.	3 rd August 2023
3.	29 th August 2023
4.	1 st November 2023
5.	1 st February 2024

The Composition of the Audit Committee and the details of Meetings attended by its members are given below:

Audit Committee		Number of Meetings in the Financial Year 2023-24	
Name of Committee members	Category	Held	Attended
Mrs. Dakshaben Rasiklal Thakkar	Non-Executive - Director, Member	5	5
Ms. Dipti Kadam	Non-Executive - Independent Director, Member	4	4
Mr. Samir Bipin Kumar Ruparelia	Non-Executive - Independent Director, Chairman	5	5

5. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors has constituted a Nomination and Remuneration Committee of Directors in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act 2013. The role of the Committee is to perform all such matters as prescribed under the Companies Act, 2013 and Schedule II - Part D about Role of Nomination and Remuneration Committee of Directors under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter-alia includes recommendation to Board of Directors, the Remuneration Policy for the Company, formulation of criteria for performance evaluation of Directors, Board and Committee, appointment of Director, appointment and remuneration of Key Managerial Personnel's and Senior Management of the Company. The Committee will also deal with matters as may be assigned from time to time by the Board of Directors. The Chairman of the Nomination and Remuneration Committee is an Independent Director. Pursuant to Regulation 19 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015 the Composition of the Nomination and Remuneration Committee and the details of Meetings attended by its members are given below:

Five Nomination and Remuneration Committee Meeting were held during the year.

1.	29 th May 2023	
2.	3 rd August 2023	
3.	29 th August 2023	
4.	1 st November 2023	
5.	1 st February 2024	

The Composition of the Committee and the details of Meetings attended by its members are given below:

Nomination & Remuneration Committee		Number of Meetings in the Financial Year 2023-24	
Name of Committee members	Category	Held	Attended
Mrs. Dakshaben Rasiklal Thakkar	Non-Executive - Director, Member	5	5
Ms. Dipti Kadam	Non-Executive - Independent Director, Member	4	4
Mr. Samir Bipin Kumar Ruparelia	Non-Executive - Independent Director, Chairman	5	5

The performance evaluation criteria of the Independent Directors involve the preparation, involvement in the relevant agenda items of the meetings, contribution to the betterment of the Business of the Company, maintenance of high standards of ethics and integrity, etc.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors has constituted a Stakeholders' Relationship / Grievance Committee of Directors in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act, 2013. The role of the Committee is to consider and resolve the Grievances of Security holders and perform such roles as may require under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Continuous efforts are made to ensure that Grievances are expeditiously redressed to the satisfaction of Investors. A status report of Shareholders complaints and redressal thereof is prepared and placed before Stakeholders' Relationship/Grievance Committee of Directors.

Terms of reference:

- a) The Committee looks into the Redressal of Shareholders'/Investors' Complaints / Grievances pertaining to transfer or credit of Shares, non-receipt of Annual Reports, Dividend payments (if any) and other miscellaneous Complaints/Grievances.
- b) The Committee reviews performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of Investor services.
- c) The Company Secretary acts as the Secretary of the Committee.
- d) Details of Investor Complaints received and redressed during the Financial 2023-24 are as follows:

Complaint at the beginning of the Year	Received during the Year	Disposed of during the Year	Unresolved as on 31st March, 2024
Nil	Nil	Nil	Nil

Name, designation and address of Compliance Officer:

Ms. Shreya Chawak was appointed as the Compliance officer/Company Secretary of the Company w.e.f. 26th August, 2021.

The Composition of the Stakeholders' Relationship Committee and the details of Meetings attended by its members are given below:

Five Stakeholders Relationship Committee Meeting were held during the year, the same is as follows:

1.	29 th May 2023	
2.	3 rd August 2023	
3.	29 th August 2023	
4.	1 st November 2023	
5.	1 st February 2024	

The Composition of the Committee and the details of Meetings attended by its members are given below:

Stakeholders' Relationship Committee		Number of Meetings attended in the Financial Year 2023-24	
Name of Committee members	Category	Number of Meetings held during the year	Number of Meetings attended during the year
Mrs. Dakshaben Rasiklal Thakkar	Non-Executive - Director, - Chairperson	5	5
Ms. Dipti Kadam	Non-Executive - Independent Director, Member	4	4
Mr. Samir Bipin Kumar Ruparelia	Non-Executive - Independent Director, Member	5	5

7. GENERAL BODY MEETINGS:

Date and time for last three Annual General Meetings (AGM) were as follows:

Year	Time	Date	Special Resolution passed
2020-21	1.00 P.M.	30.09.2021	No
2021-22	1.00 P.M	26.08.2022	Yes
2022-23	1.00 P.M	27.09.2023	No

For the Annual General Meeting for the year 2020-21 the location was: was held via Video Conferencing / Other Audio Visual Means (OAVM) on account of the outbreak of the Global Pandemic COVID-19 in the Country and nation-wide lockdown and the deemed venue for this Meeting was the Registered Office of the Company.

For the Annual General Meeting for the year 2021-22 the location was: Unit no: 131, 1st Floor, Sanjay Building No.5-B, Mittal Industrial Estate, Sir Mathuradas VasANJI Road, Andheri (East), Mumbai – 400 059 MH IN held via Video Conferencing/ Other Audio Visual Means (OAVM).

For the Annual General Meeting for the year 2022-23 the location was: _Bldg No.Q-17/A, Shree Rajlaxmi Commercial Complex Thane Bhiwandi Road Bhiwandi Thane MH 421302 IN_ held via Video Conferencing/ Other Audio Visual Means (OAVM).

Details of Special Resolution Passed in previous three Annual General Meeting.

AGM Date	Particulars
27.09.2023	NIL
26.08.2022	1. Reappointment of Mr. Varun Thakkar as the Chairman and Managing Director of the Company. 2. Change in the Registered Office of the Company.
30.09.2021	NIL

Extra-Ordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2023-24

Postal Ballot:

No Postal Ballot was conducted during the year 2023-24

8. MEANS OF COMMUNICATION:

The Company has regularly published its quarterly, half yearly and annual results in one English Newspaper and one Marathi Newspaper and submitted to the Stock Exchange in accordance with the requirements stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also in accordance to the erstwhile Listing Agreement.

The financial results are normally published in The Free Press Journal (English) and Navshakti (Marathi) Newspaper.

Also they are uploaded on the Company's website: www.gravityindia.net.

9. GENERAL SHAREHOLDER INFORMATION:

a) **Annual General Meeting:**

Date: 30th - September 2024

Day: Monday

Time: 1.00 P.M

Place: Meeting shall be convened through VC/OAVM as per MCA circulars

Common venue: Regd office of the Company situated at Bldg No.Q-17/A, Shree Rajlaxmi Commercial Complex Thane Bhiwandi Road Bhiwandi Thane MH 421302 IN

b) **Financial Calendar:**

Accounting Year - 1st April, 2023 to 31st March, 2024

First quarter results - First week of August, 2023

Second quarter results - 1st week of November, 2023

Third quarter results - 1st week of February, 2024

Fourth quarter results - Last week of May, 2024

c) **Book Closure Date:** - 24th September 2024 to 30th September 2024(Both Days inclusive)

d) **Listing on Stock Exchange:** The Bombay Stock Exchange, Mumbai (BSE)

e) The Company has paid the listing fees to the Stock Exchange for the Financial Year 2023-24

f) **Stock Code:** 532015

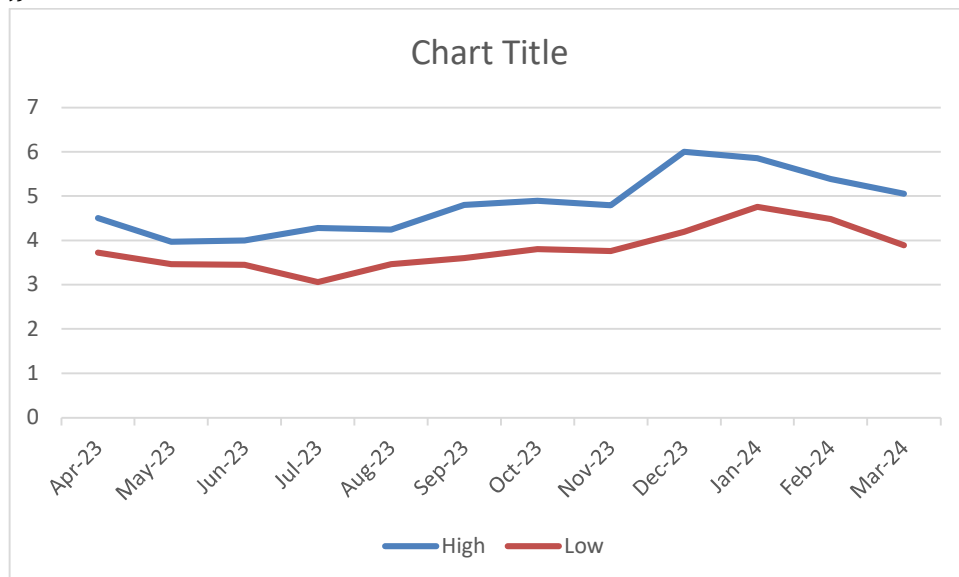
g) **Demat ISIN No.:** INE995A01013

h) **CIN:** L17110MH1987PLC042899

i) **STOCK EXCHANGE PRICE DATA: HIGH / LOW DURING EACH MONTH IN LAST FINANCIAL YEAR:**

Period	High	Low	Period	High	Low	Period	High	Low
Apr-23	4.5	3.72	Aug-23	4.24	3.46	Dec-23	6	4.19
May-23	3.97	3.46	Sept-23	4.8	3.6	Jan-24	5.85	4.76
Jun-23	4.00	3.45	Oct-23	4.89	3.8	Feb-24	5.38	4.48
Jul-23	4.28	3.06	Nov-23	4.79	3.76	Mar-24	5.05	3.89

j) **PERFORMANCE IN COMPARISON TO BSE INDEX:**



k) **REGISTRAR AND SHARE TRANSFERAGENTS:**

For both physical and De-mat (Common Registry):

Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400083.

During the Year, pursuant to the order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, Universal Capital Securities Private Limited has amalgamated with Link Intime India Private Limited effective from 22nd December 2023, Consequently, the name of the RTA is 'Link Intime India Private Limited.

l) **SHARE TRANSFER SYSTEM:**

Presently the shares, which are received in physical form, are processed and the share certificates duly endorsed are returned within the period of one month of the date of receipt subject to documents being valid and complete in all respects. The securities of the Company are dematerialized to enable the shareholders to have easy and safe transfer of shares.

m) **DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2024 IS AS UNDER:**

No. of shares Holdings	No. of Shareholders	% To total Shareholders	Total Shares For The Range	% Of Issued Capital
Up to 500	3972	71.6838	616459	6.85
501 - 1000	731	13.1926	646898	7.19

1001 - 2000	396	7.1467	641420	7.13
2001-3000	129	2.3281	340298	3.78
3001 - 4000	62	1.1189	221528	2.46
4001 - 5000	69	1.2453	332568	3.69
5001 - 10000	89	1.6062	688119	7.64
10001 and above	93	1.6784	5514660	61.26
Total	5541	100	9001950	100

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2024:

Category	No. of Shares of Rs.10/- each	(%) Percentage
Indian Promoters	2179048	24.20
Foreign Promoters	-	-
Persons Acting in Concert	-	-
Mutual Funds and UTI	-	-
Banks / Financial Institutions / Insurance Companies	-	-
Private Corporate Bodies	138515	1.54
Indian Public	5511111	61.22
NRIs / OCBs	401010	4.45
NBFC/LLP	1	0
HUF	189946	2.11
Others	582319	6.46
Total	9001950	100

n) **DEMATERIALISATION OF EQUITY SHARES AND LIQUIDITY:**

As on 31.03.2024 of the total equity shares issued, 97.90% were held in dematerialized form and the balance 2.10% of shares in physical form.

o) **COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

During the year under review there were no Commodity Price Risk or Foreign Exchange Risk and Hedging activities

p) **PLANT LOCATIONS:**

The Company's Plants are located at Silvassa, Union Territory of Dadra & Nagar Haveli.

q) **ADDRESS FOR CORRESPONDENCE:**

i) **Investor Correspondence:**

For any query relating to the Shares of the Company, held in Physical form or in Demat form.

OR

ii) **For grievance redressal & any query on Annual Report:**

Correspondence by the shareholders/Investors should be addressed to the Registered Office of the Company.

Details of Company Secretary: Ms. Shreya Chawak

Office address: Shree Rajlaxmi Commercial Complex,

Bldg no."Q", Gala No 17, Thane-Bhiwandi Road, Village Kalher, Bhiwandi- 421302

Email ID: csgravityindia@gmail.com

10. OTHER DISCLOSURES:

RELATED PARTY TRANSACTIONS:

None of the transactions with any of the related parties were in conflict with the interest of the Company. Details of transactions with related parties are disclosed in notes to the Accounts in the Annual Report. All related party transactions are negotiated at arms' length basis and are only intended to further the interest of the Company.

Confirmation that None of the Directors are disqualified:

The Company has obtained a certificate from Company Secretary in Practice that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors in the Company.

Penalties:

During the Financial year 2023-24, No penalty was levied by the exchange.

Compliances:

The Company has complied with all the mandatory requirements specified in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Company has also complied with mandatory and non-mandatory applicable rules and regulations prescribed by Stock Exchanges, SEBI or any other statutory authority relating to the capital markets. All returns/Reports were filed within stipulated time with Stock Exchanges/ other authorities.

Vigil Mechanism:

The Company has established a vigil mechanism:

- i) to promote ethical behavior in all its business activities
- ii) to establish mechanism for employees to report any genuine grievances, illegal, unethical behavior, suspected fraud or violation of laws, rules and regulation or conduct

There reportable matters may be disclosed to the Audit Committee of the Board of Directors. The Policy also provides for adequate protection to the whistle blower against victimization or discriminatory practices. No Personnel is denied access to the Audit Committee. No Personnel is denied access to the Audit Committee in case they detect any suspected fraud or irregularity in the Company

The Directors and senior management are obligated to maintain confidentiality of such reporting violation and ensure that the whistle blowers are not subject to any discriminatory practices.

The total fees paid to Statutory Auditors by the Company in F.Y. 2023-24 is Rs. 2,65,000.

11. DISCLOSURES WITH RESPECT TO THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED:

The Chairman of the Company is an Executive Director of the Company and operates from the Registered Office of the premises of Company. No such half-yearly declaration of financial performance including summary of the significant events in last six months was sent to each household of shareholders, however the mandatory Annual Report is sent to all the Shareholders. The Audit Opinion with respect to the financial Statements of the Company for the year under review is an unmodified one. Our Company has appointed the Managing Director as the Chairperson of the Company. The Internal Auditor reports to the Audit Committee of the Company.

12. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT:

The Compliances with the Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 are complied with to the extent applicable to our Company during the year under review. Certificate from the Statutory Auditor, M/s A R Sodha and Co (FRN: 110324W) confirming compliance with the conditions of Corporate Governance is annexed to this Report forming part of the Annual Report.

Declaration signed by the Managing Director of the Company stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management is annexed to this Report forming part of the Annual Report.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Thane

Date: 07.08.2024

VARUN THAKKAR

airman and Managing Director

DIN: 00894145

Annexure to the Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**TO,
The Members of
Gravity (India) Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gravity (India) Limited having **CIN: L17110MH1987PLC042899** and having registered office **at Bldg No.Q-17/A, Shree Rajlaxmi Commercial Complex Thane Bhiwandi Road, Bhiwandi Thane, MH 421302 IN** (hereinafter referred to as "the Company"), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN (Director Identification Number)	Date of appointment in the Company
1.	Dakshaben Rasiklal Thakkar	00576846	13/03/1987
2.	Varun Rasiklal Thakkar	00894145	02/10/2016
3.	Dipti Vasant Kadam	10218863	03/08/2023
4.	Samir Bipinkumar Ruparelia	08551666	13/08/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 07.08.2024

For D. A. Kamat & Co.,

SD/-

Signature

Name: D. A. Kamat

CP No.: 4965

FRN: P2002MH045900

UDIN: F003843F001071756

**CERTIFICATION BY THE MANAGING DIRECTOR (MD) AND THE CHIEF FINANCIAL OFFICER
(CFO)**

To

The Board of Directors

Gravity (India) Limited

We, Varun Thakkar, Managing Director and Jay Thakkar, Chief Financial Officer of **Gravity (India) Limited** ("the Company") to the best of our knowledge & belief certify that:

A) We have reviewed Financial Statements and the Cash Flow Statement for the Year ended 31st March, 2024 and that to the best of their knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

B) There are, to the best of our knowledge and belief, no transactions entered in to by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C) We accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D) We have indicated to the Auditors and the Audit committee that:

i) There were no significant changes in Internal Control over Financial Reporting during the year;

ii) There were no changes in accounting policies; and

iii) There were no instances of fraud of which we have become aware and the involvement there in of the Management or an Employee having a significant role in the Company's Internal Control System over Financial Reporting.

Varun Thakkar

Jay Thakkar

Date: 29.05.2024

Managing Director

Chief Financial Officer

Place: Thane

DIN: 00894145

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

All the Members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in so far as it is applicable to them and there is no Non-compliance thereof during the Financial Year ended 31st March, 2024.

For and on behalf of the Board of Directors

GRAVITY (INDIA) LIMITED

Varun Thakkar

Managing Director

DIN: 00894145

Place: Thane

Date: 29.05.2024

DECLARATION OF UNMODIFIED OPINION

In terms of Regulation 33(3)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, we hereby declare that the Statutory Auditors of the Company, M/s A R Sodha and Co (ICAI Firm Registration No: 110324W) Chartered Accountants have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company for the fourth quarter and financial year ended March 31, 2024.

For & on behalf of

Gravity (India) Limited

Jay Thakkar

Chief Financial officer

Varun Thakkar

Managing Director

(DIN: 00894145)

Date: 29.05.2024

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS,
GRAVITY (INDIA) LIMITED**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Gravity (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, statement of changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid standalone 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No.5 to financial Statement which state about marking down of inventory of traded fabrics which is non-moving/ slow moving by Rs.161.80 lakhs i.e. by 50% No sale from this inventory has been done since last 1 year and till the date of Audit hence we have not been able to get the appropriate audit evidence with respect to realisable value of non-moving/slow moving traded fabrics and accordingly we are unable to opine on carrying value of traded fabrics having carrying value of Rs.161.83 Lakhs

We draw attention to note no. 1.1.f to the financial statement regarding accounting of retirement benefit in the form of Gratuity on Cash Basis, which is not in consonance with the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation, we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Exposure in relation to Litigation in High Court for	Loan from Madhavpura Merchant Co-op Bank Ltd
<p>At 31 March, 2024 the value of dispute amount disclosed as Current Financial liabilities of Rs.155.46 and as Contingent Liability of Rs.365.22 Lakhs.</p> <p>This matter has been identified as a key audit matter as same was not disclosed in pervious financials. As the amount demanded by Liquidator of Madhavpura Merchant Co-op Bank Ltd is Rs.1144.76 Lakhs and company had paid Rs.624.08 Lakhs over the period of time and company has recognised Rs.155.46 Lakhs as Current Financial Liability in Financials. Remaining balance amount of Rs.365.22 Lakhs is disclosed as Contingent liability.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained Arbitration Award which was in favour of Company, and Commercial Arbitration Petition which had been decided against the company and Appeal filed against the Arbitration Petition which has been admitted in the Bombay High Court. • Performed walkthrough and test of controls of the management's risk assessment process for legal matters. • Inspected the relevant disclosures made within the financial statements to validate they appropriately reflect the facts and circumstances of the legal dispute and exposures and are in accordance with the requirements of accounting standards.

Information other than the Financial Statements and Auditors report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report is not made available to us at the date of this auditor's report and hence we have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of The Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act

for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 management's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issues by the Central Government of India in terms of sub section (11) of the section 143 of the Companies Act, 2016, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in the Basis for Qualified Opinion paragraph.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations on its financial statements. Refer Note 27 of Financials statement.

ii. According to the information given to us, the company has not entered into any long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.(a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv) (a) and (iv) (b) contain any misstatement.

v. According to information and explanation given to us, the Company has not declared any dividend in terms of provision of section 123 of Companies Act, 2013.

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

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

vi. As Stated in Note No 29 to the accompanying standalone financial Statement and based on our examination which include test check, except for instance mentioned below the company in respect of financial year commencing on 1st April 2023, has used accounting software for maintaining books of accounts which has features of Audit trail facility and same have been operated throughout the year for all the relevant transactions recorded in the software.

Exception note: The company is using Turkia software for maintenance of stock records with respect to manufacturing activities which does not have feature recording of audit trail.

For A. R. SODHA & Co.

**Chartered Accountants
FRN 110324W**

Dipesh Sangoi

Partner

M. No 124295

Place: Mumbai

Date: 29th May, 2024

UDIN: 24124295BKDAFC1012

ANNEXURE A TO AUDITORS'S REPORT

On the basis of such checks as we considered appropriate and according to the information and explanations given to us, we report that:

(i) a) According to information and explanations given to us by the management and records furnished before us, the Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

b) The fixed assets have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.

c) According to the information and explanation given to us and on the basis of records furnished before us, the title of immovable property is in the name of the company.

d) According to the information and explanation given to us and on the basis of records furnished before us, the company has not revalued property, plant & equipment or intangible assets. Therefore, reporting under clause 3(i)(d) of Companies (Auditor's) Report Order, 2020 is not applicable.

e) According to the information and explanation given to us and on the basis of records furnished before us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereof. Therefore, reporting under clause 3(i)(e) of Companies (Auditor's) Report Order, 2020 is not applicable.

(ii) a) According to information and explanation given to us by the management and records furnished before us, Inventory of Finished Good, Raw Material, and Stock in Trade have been physically verified by the management at reasonable intervals. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of inventory by the management.

b) Company does not have any active working capital limit during the year in excess of Rs.5 crores sanctioned on the basis of security of current assets. Accordingly reporting under clause 3(ii)(b) of Companies (Auditor's) Report Order, 2020 is not applicable.

(iii) According to the information and explanation given to us and on the basis of records furnished before us, the company has not granted unsecured loans to companies, firms, Limited Liability Partnerships and other parties. The Company has not made investments in, provided any guarantee or security to Companies, firms, Limited liability Partnerships or any other entities. Accordingly reporting under clause 3(iii) of Companies (Auditor's) Report Order, 2020 is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not given any loans or has made any investment or provided any guarantee or security during the year for which compliance of Section 185 or 186 is required.

(v) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not accepted any deposits within the meaning of section 73 to 76 from public during the year. Therefore, clause 3(v) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(vi) According to the information and explanation given to us the Company is not required to maintain cost records as specified under section 148 sub-section (1) of the Companies Act, 2013. Therefore clause 3(vi) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(vii) a) According to the information and explanations given to us and records examined by us, Company is generally regular in depositing of undisputed statutory dues with respect to Income Tax, Provident fund, Goods and Service Tax, etc expect delays in payment of Tax Deducted at source. Income tax demand of Rs.1.98 Lakhs for AY 2007-08 is outstanding for a period of more than six months from the date it became payable as at the Balance Sheet date.

b) According to information and explanation given to us, there are no disputed statutory dues relating to Income Tax, Cess, Goods and Service Tax or any other statute expect as stated below.

Name of statute	Nature of dues	Year(s) to which it pertains	Amount Not Paid (Rs. in Lacs)	Forum where dispute is pending
Income Tax Act, 1961	TDS Defaults	AY 24-25 to 21-22 and prior	4.99	Company is in process of filing rectification with Assessing Officer.

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

(ix) (a) According to the information and explanation given to us and records examined by us, the Company has defaulted in repayment of dues to lenders as at the Balance Sheet date. The details of default is as follows.

Nature of Borrowing	Name of lender	Amount not paid on due date	Whether principal or interest	No of Days delay or unpaid	Remarks
Term Loan	Ambit Finvest Pvt Ltd	5,02,542	Both	28 to 55 Days	-
Vehicle Loan	Cholamanadalam Investment and Finance Co Ltd	39,900	Both	20 Days	-

Also, there is ongoing dispute with the liquidator of bank for the one-time settlement amount payable. For details refer note 27 to the financial statements.

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

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and the records of the Company, no funds raised on short term basis have been utilized for long-term purposes by the company.

(e) According to records examined by us, Company do not have any subsidiaries, associates or joint ventures as defined under Companies Act, 2013. Accordingly, reporting under clause 3(ix)(e) & (f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(x) (a) According to information and explanation given to us by the management and records furnished before us, the company has not raised money by way of initial public offer or further public offer. Accordingly reporting under Clause 3(ix)(a) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(b) According to information and explanation given to us by the management and records furnished before us, the Company has not made preferential allotment or private placement of shares or convertible debentures during the year. Accordingly reporting under Clause 3(ix)(b) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

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

(b) According to information and explanation given to us by the management and records furnished before us, no report under section 143(12) of Companies Act, 2013 has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government.

(c) According to information and explanation given to us by the management and records furnished before us, the Company has not received any whistle blower complaints during the year.

(xii) The Company is not a Nidhi Company hence reporting under clause 3(xii) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required to be disclosed under applicable Accounting Standard.

(xiv) Considering the nature and volume of the activity undertaken during the year management of the company has not carried out Internal audit for the year.

(xv) According to the information and explanation given to us, the company has not entered any non-cash transaction with directors or persons connected with them. Therefore, reporting under clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xvi) (a) Considering the asset and income pattern, the company is not required to hold certificate of registration under 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanation given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate as per RBI Act, 1934. Accordingly, clause 3(xvi) (b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, clause 3(xvi) (c) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(d) According to the information and explanation given to us, the group does not have any CIC. Accordingly, clause 3(xvi) (d) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(xvii) The Company has incurred cash losses in the current financial year and in year immediately preceding financial year.

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

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, and drawing attention to note no. 28 to the financial statement indicating existence of material uncertainty that may cast a significant doubt on the Company's ability to continue as going concern if strategic measures undertaken by the management does not materialise as expected, we are of the opinion that company may not be able meets its liability as and when fall due.

(xx) According to information and explanation given to us and based on our examination of the financial statements of the company, provisions relating to Corporate social responsibility are not applicable to the company in view of losses incurred by the Company. Accordingly, clause 3(xx) of the order is not applicable.

For A. R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295
Place: Mumbai
Date: 29th May, 2024

UDIN: 24124295BKDAFC1012

ANNEXURE B TO AUDITORS'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Gravity (India) Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Disclaimer of Opinion

For the reason stated in Note 28 to financial statements, the company does not have an established system of internal financial control over financial reporting with regards to assessment of possible material adjustments that could arise / may be required to be made to the recorded values of assets and liabilities. Consequently, we are unable to obtain sufficient appropriate audit evidence so as to provide a basis for our opinion as to whether the Company has adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively during the financial year.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer Opinion paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively during the financial year. Accordingly, we do not express an opinion on the Company's internal financial controls over financial reporting.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2024, and the disclaimer has affected our opinion on the financial statements of the Company, and we have issued a qualified opinion on the financial statements of the Company.

For A. R. SODHA & Co.
Chartered Accountant
FRN 110324W

Dipesh Sangoi
Partner
M. No 124295
Place: Mumbai
Date: 29th May, 2024
UDIN: 24124295BKDAFC1012

Gravity (India) Limited
Balance Sheet as on 31st March, 2024

Particulars	Note No	31st March 2024	31st March 2023
		Rupees in Lakhs	Rupees in Lakhs
ASSETS			
1 Non- Current Assets			
(a) Property, Plant and Equipment	2.1	222.13	232.89
(b) Capital Work in Progress	2.2	-	9.85
(c) Investment Property		-	-
(d) Financial Assets			
(i) Other Financial Assets	3	13.18	17.84
(e) Deferred Tax Assets (Net)	4	213.72	13.73
		449.02	274.31
2 Current Assets			
(a) Inventories	5	172.58	356.30
(b) Financial Assets			
i) Investments		-	-
ii) Trade Receivables	6	24.90	829.99
iii) Cash and Cash Equivalents	7.1	5.51	45.14
iv) Other Balances with Banks		-	-
v) Loans		-	-
vi) Other Financial Assets		-	-
vi) Other Bank Balances	7.2	2.61	2.39
vii) Others Financials Assets	8	5.42	8.90
(c) Current Tax Assets (Net)	9	6.69	6.32
(d) Other Current Assets	10	90.13	141.18
		307.84	1390.21
TOTAL ASSETS		756.86	1664.52
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	900.20	900.20
(b) Other Equity	12	-493.40	122.95
		406.80	1023.14
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	13	99.32	104.36
ii) Other Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	4	-	-
(d) Other Non-current Liabilities		-	-
		99.32	104.36
2 Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	14	168.83	162.63
ii) Trade Payable	15	61.47	364.12
iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	16	6.78	2.52
(c) Provisions	17	10.64	4.93
(d) Current Tax Liabilities (Net)	18	3.02	2.82
		250.74	537.03
TOTAL EQUITY AND LIABILITIES		756.86	1664.52

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For A.R.SODHA & CO.

Firm Registration No:110324W

Chartered Accountants

Dipesh Sangoi

Partner

Membership No :- 124295

MUMBAI

Date : 29th May, 2024

For and on behalf of the Board

Varun Thakkar
Managing Director

Dakshaben Thakkar
Director

Jay Thakkar
CFO

Shreya Chawak
CS

Gravity (India) Limited
Statement of Cash Flow for the year ended 31st March, 2024

	Particulars	2023-2024	2022-2023
		Rupees in Lakhs	Rupees in Lakhs
A.	Cash Flow From Operating Activities		
	Net Profit/(Loss) Before Tax	-816.33	-96.39
	Adjusted for		
	Depreciation	23.05	20.63
	Provision for Doubtful Trade Receivables and Advances	530.80	43.92
	Interest Charged	17.98	6.09
	Interest received	-0.22	-0.45
	Operating profit before working capital changes	-244.72	-26.21
	Adjustments for:		
	Trade and Other receivables	274.30	-153.88
	Inventories	183.72	-8.67
	Other Non-current/Current assets	68.82	-37.28
	Trade payable / Other Liabilities	-298.39	131.74
	Provision Non-current/Current	5.53	-1.54
	Cash generated from operations	-10.75	-95.84
	Direct taxes Paid	-	-1.03
	NET CASH FROM OPERATING ACTIVITIES (A)	-10.75	-96.86
B.	Cash flow from investing activities		
	Interest received	0.22	0.39
	Proceeds from Fixed Deposits	-	-
	Purchase of Property, Plant and Equipment's	-12.29	-36.64
	NET CASH USED IN INVESTING ACTIVITIES (B)	-12.06	-36.25
C.	Cash flow from financing activities		
	Inflow		
	Increase/(Decrease) in bank borrowing -NET	1.16	111.53
	Increase in Share Capital	-	-
	Share Premium Account	-	-
	Outflow	-	-
	Dividend and dividend tax paid	-	-
	Exchanger rate difference	-	-
	Interest paid	-17.98	-6.09
	NET CASH USED IN FINANCING ACTIVITIES (C)	-16.82	105.44
	NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	-39.63	-27.67
	CASH & CASH EQUIVALENTS-OPENING BALANCE	45.14	72.81
	CASH & CASH EQUIVALENTS-CLOSING BALANCE	5.51	45.14

Note : The Above Statement of Cash flow has been prepared under the 'Indirect Method's set out in IND AS 7, Statement of Cash Flow

For A.R.SODHA & CO.
Firm Registration No:110324W
Chartered Accountants

Dipesh Sangoi
Partner
Membership No :- 124295
MUMBAI
Date : 29th May, 2024

For and on behalf of the Board

Varun Thakkar
Director

Jay Thakkar
CFO

Dakshaben
Thakkar
Director

Shreya Chawak
CS

Statement of Changes in Equity for the year ended 31st March, 2024

A. EQUITY SHARE CAPITAL		('Rupees in Lakhs)
Particulars		Amount(Rs.)
As at 1st April, 2023		900.20
Changes in equity share capital		-
As at 31st March, 2024		900.20

B. OTHER EQUITY					
Particulars	Other Equity				Total other Equity
	Reserve and Surplus			Other Comprehensive Income	
	Share Premium	General Reserve	Retained Earnings		
As at 1 April, 2022	-	-	222.45	-	222.45
Total Comprehensive Income for the year	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-
Tax on Dividend on Equity Shares	-	-	-	-	-
Profit for the Year	-	-	-99.51	-	-99.51
As at 31st March, 2023	-	-	122.95	-	122.95
As at 1 April, 2023	-	-	122.95	-	122.95
Total Comprehensive Income for the year	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-
Tax on Dividend on Equity Shares	-	-	-	-	-
Profit for the Year	-	-	-616.34	-	-616.34
As at 31st March, 2024	-	-	-493.40	-	-493.40

As per our report attached

For A. R. Sodha & CO.
Chartered Accountants
Firm Reg. No.: 110324W

Varun Thakkar
Director

Dakshaben Thakkar
Director

Dipesh Sangoi
Partner
Membership No :- 124295
MUMBAI
Date : 29th May, 2024

Gravity (India) Limited

Notes On Financial Statements for the Year ended 31st March 2024

Note No : 1

GENERAL INFORMATION

Gravity (India) Limited (the Company) is a public Company, which was incorporated under the provisions of the Companies Act, 1956 on 13th March 1987 and has its registered office at Thane Bhivandi RD, Village Kalher Maharashtra. The Company is engaged in manufacturing of furnishing fabrics. The Company is listed on Bombay Stock Exchange.

The financial statements were approved for issue in accordance with a resolution of the directors on 29th May 2024.

Note No : 1.1

MATERIAL ACCOUNTING POLICIES

1.1.a Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

1.1.b Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows :

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

1.1.c Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discount offered by the Company as part of the contract.

Revenue recognised from major business activities:

Sale of goods: Revenue from sale of goods is recognised as and when the Company satisfies performance obligations by transferring control of the promised goods to its customers

1.1.d Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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 interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.1.e Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

1.1.f Employee benefits

- A liability is recognised for benefits accruing to employees in respect of wages and salaries, and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

- Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service

- Payments to defined contribution plan are charged to profit & loss account when contributions to respective funds are due

- defined benefit plan in respect of Gratuity Payments are accounted for on Payment basis.

1.1.g Taxation

Current tax : The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current income tax assets/liabilities for current year is recognized at the amount expected to be paid to and/ or recoverable from the tax authorities.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income-tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income-tax. Accordingly, MAT Credit is recognised as asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Current and deferred tax for the year: Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.1.h Property, plant and equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, Plant and Equipment are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The Company has elected to continue with the carrying value of all its PPE recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date. Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing ₹ 5000/- or below on which depreciation is charged @ 100%. Depreciation is calculated on pro-rata basis. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

1.1.i Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at the pretax discount rate reflecting current market assessment of time value of money and risks specific to asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.1.j Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under: In case of raw materials at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

In case of finished goods at raw material cost plus conversion costs, packing cost, non recoverable indirect taxes (if applicable) and other overheads incurred to bring the goods to their present location and condition.

In case of by-products at estimated realizable value.

Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.1.K Contingent liabilities

'A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

1.1.L Earning Per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit 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. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit/increase loss per share are included.

1.1.m Cash Flow Statement

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

1.1.n Financial Instruments

(i) Financial Assets

(ia) Initial recognition and measurement : All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting

(ib) Subsequent Measurement :

(ib.a) Financial assets carried at amortised cost (AC) : A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ib.b) Financial assets at fair value through other comprehensive income (FVTOCI) : A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ib.c) Financial assets at fair value through profit and loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(ic) Investment In Subsidiaries, Associates And Joint Ventures

The Company Has Accounted For Its Investments In Subsidiaries, Associates And Joint Venture At Cost.

(id) Other Equity Investments

The Company Subsequently Measures All Equity Investments At Fair Value. There Are Two Measurement Categories Into Which The Company Classifies Its Equity Instruments:

(id.a) Investments In Equity Instruments At FVTPL: Investments In Equity Instruments Are Classified As At Fvtpl, Unless The Company Irrevocable Elects On Initial Recognition To Present Subsequent Changes In Fair Value In Other Comprehensive Income For Equity Instruments Which Are Not Held For Trading.

(id.b) Investments In Equity Instruments At FVTOCI: On Initial Recognition, The Company Can Make An Irrevocable Election (On An Instrument-By-Instrument Basis) To Present The Subsequent Changes In Fair Value In Other Comprehensive Income. This Election Is Not Permitted If Equity Investment Is Held For Trading. These Elected Investments Are Initially Measured At Fair Value Plus Transaction Costs. Subsequently, They Are Measured At Fair Value With Gains And Losses Arising From Changes In Fair Value Recognised In Other Comprehensive Income And Accumulated In The Reserve For 'Equity Instruments Through Other Comprehensive Income'. The Cumulative Gain Or Loss Is Not Reclassified To Statement Of Profit And Loss On Disposal Of The Investments.

(ie) Impairment Of Financial Assets

In accordance with IND AS 109, the company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

(ie.a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

(ie.b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. the company uses historical default rates to determine impairment loss on the portfolio of trade receivables. at every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(if) De-Recognition Of Financial Instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(ii) Financial Liabilities

(ii.a) Initial Recognition And Measurement

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, fee of recurring nature are directly recognized in the statement of profit and loss as finance cost.

(ii.b) Subsequent Measurement

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Gravity (India) Limited
Notes On Financial Statements for the Year ended 31st
March 2024
Note No :2.1
Property, Plant and Equipment

(Rupees in Lakhs)

Particulars	Freehold Land	Buildings	Plant and Equipment's	Furniture and Fixture	Vehicles	Office Equipment	Total
Year ended 31st March 2023							
Opening Gross Carrying amount	4.82	424.05	551.08	8.22	37.48	11.39	1037.05
Additions	-	-	6.48	-	19.84	0.47	26.79
Disposals	-	-	-	-	-	-	-
Total	4.82	424.05	557.56	8.22	57.32	11.86	1063.84
Accumulated Depreciation							
Opening accumulated depreciation	-	264.10	489.26	8.10	37.48	11.39	810.32
Depreciation charged during the year	-	13.30	6.44	0.06	79,007	0.05	20.63
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	-	277.40	495.70	8.16	38.27	11.43	830.95
Net carrying amount as at 31st March 2023	4.82	146.66	61.87	0.07	19.05	0.43	232.89
Year ended 31st March 2024							
Opening Gross Carrying amount	4.82	424.05	557.56	8.22	57.32	11.86	1063.84
Additions	-	-	11.59	-	-	0.70	12.29
Disposals	-	-	-	-	-	-	-
Total	4.82	424.05	569.15	8.22	57.32	12.56	1076.13
Accumulated Depreciation							
Opening accumulated depreciation	-	277.40	495.70	8.16	38.27	11.43	830.95
Depreciation charged during the year	-	13.30	7.63	0.05	1.88	0.20	23.05
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	-	290.69	503.32	8.20	40.15	11.63	854.00
Net carrying amount as at 31st March 2024	4.82	133.36	65.83	0.02	17.17	0.93	222.13

			(Rupees in Lakhs)	
Note No.3 Other Financial Assets (Non Current)	AS AT 31st March 2024 In Rs.	AS AT 31st March 2023 In Rs.		
Unsecured, Considered Goods:-				
Security Deposits				
House Deposit		1.38		
Other Deposit*	13.18	16.46		
	13.18	17.84		
Note No.4 Deferred tax assets/liabilities (net)	AS AT 31st March 2024 In Rs.	AS AT 31st March 2023 In Rs.		
Deferred tax assets/liabilities (net) (Refer Note :- 28 for Details)	213.72	13.73		

	213.72	13.73
Note No.5	AS AT	AS AT
INVENTORIES :	31st March	31st March
	2024 In Rs.	2023 In Rs.
Raw Material	4.29	20.76
Finished Goods	6.48	11.90
Stock in Trade	161.81	323.64
	172.58	356.30
Note :- Inventory of traded fabrics which are non moving/slow moving has been marked down by Rs.161.81 lakhs.		
Note No.6	AS AT	AS AT
FINANCIAL	31st March	31st March
ASSETS	2024 In Rs.	2023 In Rs.
TRADE RECEIVABLES		
Receivable from related parties		
Unsecured Considered good	-	-
Receivable from others		
Secured considered good		
Unsecured Considered good		
Outstanding for period not exceeding 6 Months	15.99	337.02
Outstanding for period exceeding 6 Months	557.14	530.17
Doubtful	-	6.72
Less Allowances for Expected Credit Loss	-548.23	-43.92
	24.90	829.99
Note No.6.1	AS AT	AS AT
Trade Receivables Ageing Schedule	31st March	31st March
Undisputed Trade Receivable - Considered good		
Less than 6 Months	15.99	337.02
6 Months to 1 Year	-	83.17
1 to 2 Years	105.29	21.48
2 to 3 Years	253.56	195.07
More than 3 Years	178.53	215.69
Undisputed Trade Receivable - Considered Doubtful		
Less than 6 Months	-	-
6 Months to 1 Year	-	-
1 to 2 Years	-	-
2 to 3 Years	-	-
More than 3 Years	-	1.72
Disputed Trade Receivable - Considered good		
Less than 6 Months	-	-
6 Months to 1 Year	-	-
1 to 2 Years	-	-
2 to 3 Years	-	-
More than 3 Years	14.76	14.76
Disputed Trade Receivable - Considered Doubtful		
Less than 6 Months	-	-
6 Months to 1 Year	-	-
1 to 2 Years	-	-

2 to 3 Years	-	-
More than 3 Years	5.00	5.00
	573.13	873.91
		('Rupees in Lakhs)
Note No.7	AS AT	AS AT
FINANCIAL ASSETS	31st March 2024 In Rs.	31st March 2023 In Rs.
CASH AND CASH EQUIVALENTS :		
Balance with Bank		
Current Bank Account	0.03	8.66
Cash in Hand	5.48	36.48
	5.51	45.14
Other Bank Balances :		
In Fixed Deposits	2.61	2.39
Less Amount disclosed as other financial non current assets		
	2.61	2.39
	8.12	47.53
Note No.8	AS AT	AS AT
FINANCIAL ASSETS	31st March 2024 In Rs.	31st March 2023 In Rs.
Other Financial Assets (Unsecured and considered good)		
Advance to Employees and others	2.03	1.95
Reimbursement of Expenses Receivable from Related Parties	3.39	6.95
	5.42	8.90
Note No.9	AS AT	AS AT
Current Tax	31st March 2024 In Rs.	31st March 2023 In Rs.
Current Tax Assets (Net)		-
MAT Credit Entitlement	6.69	6.32
	6.69	6.32
Note No.10	AS AT	AS AT
Other Current Assets	31st March 2024 In Rs.	31st March 2023 In Rs.
Advances to suppliers		
- Considered good	24.21	105.90
- Doubtful	26.49	-
Balance with Government Authorities *	36.40	33.67
Receivable from Lender	1.80	-
Prepaid Expenses	1.22	1.61
	90.13	141.18
* Balance with government authorities contains GST-ITC		
Note : 11	AS AT	AS AT
Equity Share Capital	31st March 2024 In Rs.	31st March 2023 In Rs.
Authorised		
1,50,00,000 (PY 1,50,00,000) Equity Shares of Rs.10/- each	1500.00	1500.00
	1500.00	1500.00
Issued, Subscribed and Paid-Up		
90,01,950 (PY 90,01,950) Equity Shares of Rs.10/- each		
Fully Paid	900.20	900.20
Total	900.20	900.20
a) Rights, Preferences and restrictions attached to shares		
The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.		
In the event of liquidation of the Company, the holders of the equity shares will be entitles to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, No such Preferential amounts exist currently.		
The distribution will be in proportion to the number of equity shares held by the shareholders.		

b) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023

Particulars				31st March 2024		31st March 2023	
				Numbers	Rs.	Numbers	Rs.
At the beginning of the Period			90,01,950	9,00,19,500	90,01,950	9,00,19,500	
Add:- Issued During the Period			-	-	-	-	
Less:- Utilised/transferred during the period							
			-	-	-	-	
Outstanding at end of the Period			90,01,950	9,00,19,500	90,01,950	9,00,19,500	

c) Details of Shareholder Holding more than 5% Shares

Particulars				31st March 2024		31st March 2023	
				Numbers	% Holding	Numbers	% Holding
Varun Thakkar			10,12,125	11.24%	10,12,125	11.24%	
Dakshaben Thakkar			8,71,751	9.68%	8,71,751	9.68%	

d) Details of shares held by promoters at the end of the Year

Particulars				31st March 2024		31st March 2023	
				Numbers	% Holding	Numbers	% Holding
	Varun Rasiklal Thakkar		1012125	11.24%	10,12,125	11.24%	
	Dakshaben Thakkar		871751	9.68%	8,71,751	9.68%	
	Samir Rasiklal Thakkar		188368	2.09%	1,88,368	2.09%	
	Rasiklal Dalptram Thakkar		59588	0.66%	59,588	0.66%	
	Jay Rasiklal Thakkar		42107	0.46%	42,107	0.46%	
	Rasiklal D Thakkar (HUF)		5000	0.05%	5,000	0.05%	
	Gravity Synthetics Pvt Ltd (Promoters Group)		109	0.001%	109	0.001%	

(Rupees in Lakhs)

Note : 12

Other Equity

Retained Earnings

TOTAL

AS AT

31st March 2024 In Rs.

-493.40

-493.40

AS AT

31st March 2023 In Rs.

122.95

122.95

Note No.13

Borrowings (Non Current)

Financial Liabilities Secured
Term loan from Financial Institution
Vehicle Loan from Financial Institution
Less : Current Maturity of Long term Borrowings

AS AT

31st March 2024 In Rs.

92.47

14.22

-7.37

99.32

99.32

AS AT

31st March 2023 In Rs.

94.81

16.72

-7.17

104.36

104.36

Term Loan from Financial Institution is secured by way of Exclusive First Charge on the Industrial Premises at Dadra and Nagar Haveli and it is repayable in 129 monthly Instalment and present interest rate is 16.85% p.a. and effective interest rate is 18.22% p.a.

Vehicle loan is secured against the respective vehicle. It is repayable in 60 monthly instalment and carries interest rate of 11% p.a. and effective interest rate is 12.29% p.a.

Note No.14 Borrowings (Current) Secured Loan Settlement amount Payable to Bank (Refer Note 27 for more details)* Current Maturity of Long term Borrowings Loan from Director *Secured by way of 2nd Charge on the Industrial Premises		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		155.46	155.46
		7.37	7.17
		6.00	
	168.83	162.63	
Note No.15 Trade Payables Total Outstanding dues of - MSMEs - Total Outstanding dues of other than MSMEs Due to related parties		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		15.42	15.35
		46.05	348.77
			-
	61.47	364.12	
Ageing of Trade Payable Particular (i) MSME Less than 1 Year 1-2 Years 2-3 Years More than 3 Years		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		14.49	15.35
		0.93	-
			-
		15.42	15.35
(ii) Others Less than 1 Year 1-2 Years 2-3 Years More than 3 Years Total		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		12.27	299.16
		0.22	5.04
		0.09	4.07
	33.48	40.51	
	46.05	348.77	
	61.47	364.12	
Note No.16 Other Current Liabilities Audit Fees Payable Statutory remittances* TDS Payable Other Payable		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		2.78	2.10
		2.25	0.28
		1.71	0.15
		0.04	0.00
	6.78	2.52	
* Statutory Remittance includes Tax Deduction/Collection at Sources & Contribution to Provident fund.			
Note No.17 Provisions (Current) Provision for employees benefits		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		10.64	4.93
		10.64	4.93
Note No.18 Provisions (Current) Provision for Income Tax		AS AT	AS AT
		31st March 2024 In Rs.	31st March 2023 In Rs.
		3.02	2.82
		3.02	2.82

('Rupees in Lakhs)		
Note No.19 Revenue from Operations Sale of Products (Net of Rebate & Discount)	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	225.45	1023.63
	225.45	1023.63
Ind AS 115 'Revenue from Contracts with customers' outlines a single comprehensive control based model for revenue recognition. The Company had not applied any significant judgements in applying the revenue recognition criteria. The disclosure requirements as per Ind As 115 given below:-		
# The following is an analysis of the companies revenue from its products and services		
Particulars Sales of Furnishing Fabric	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	225.45	1023.63
	225.45	1023.63
The following is analysis on the Companies revenue disaggregates on the basis of timing of revenue recognition		
Particulars - At Point of Time - Over the Period	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	225.45	1023.63
	225.45	1023.63
Note No.20 OTHER INCOME : 1 Interest Income 2 Sample Development Charges 3 Other Non Operating Income Rent Income 4 Other Gain Foreign exchange fluctuation gain (net)	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	0.22	0.45
	1.92	3.20
	-	-
	2.14	3.65
Total	2.14	3.65
Note No.21 Cost of Material Consumed: Opening Stock of Material Add:- Purchase of Materials (Net of Return & Trade Discounts) Closing Stock of Material	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	20.76	17.15
	126.48	259.52
	147.24	276.67
	4.29	20.76
Total	142.95	255.91
Note No.22 Purchase of Stock in Trade Grey Fabric (Net of Discount on Purchase) Others	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	-	607.19
	-	607.19
Total	-	607.19
Note No.23 Change in Inventories of Finished Goods and Stock in Trade Inventories at beginning of the Year	AS AT	AS AT
	31st March 2024 In Rs.	31st March 2023 In Rs.
	335.54	330.48

Less :- Inventories at end of the Year	-168.29	-335.54
Total	167.25	-5.06
Note :- Inventory of traded fabrics which are non moving/slow moving has been marked down by Rs.161.81 lakhs.		
('Rupees in Lakhs)		
Note No.24	AS AT	AS AT
	31st March 2024	31st March 2023
	In Rs.	In Rs.
EMPLOYEE BENEFIT EXPENSES :		
Salaries and wages	72.99	71.53
Contribution to Provident & other funds	2.00	1.57
Staff Welfare Expenses	2.26	2.44
	77.25	75.54
Note No.25	AS AT	AS AT
	31st March 2024	31st March 2023
	In Rs.	In Rs.
FINANCE COST :		
Interest Expenses	17.98	6.09
	17.98	6.09
Note No.26	AS AT	AS AT
	31st March 2024	31st March 2023
	In Rs.	In Rs.
OTHER EXPENSES :		
Advertisement Expense	1.60	1.41
Auditors Remuneration	2.60	2.75
Commission and Brokerage	0.02	0.44
Consumable Stores	2.27	1.51
Directors Sitting Fees	0.18	0.16
Discount allowed to customer	3.40	5.08
Factory Expense	3.35	4.19
Listing Fees & Charges	4.85	4.49
Office Expense	17.74	2.26
Other Miscellaneous Expenses	3.77	3.00
Power & Fuel	31.04	36.23
Professional Charges	2.39	8.05
Provision for Doubtful Trade Receivables and Advances	530.80	43.92
Rate and Taxes	0.55	0.01
Rent	1.67	1.92
Repair and Maintenance Building	0.05	0.52
Repair and Maintenance Machinery	1.11	1.19
Transport Charges	5.89	7.25
Weaving Design	2.16	38.99
	615.44	163.39

		('Rupees in Lakhs)	
Note No.27		AS AT	AS AT
Contingent Liabilities and commitments		31st March 2024 In Rs.	31st March 2023 In Rs.
Income Tax (TDS- Traces Demands)		4.99	4.42
Loan Dispute (Refer note below)		365.22	365.22
Electricity Delay Surcharges		-	4.71
Total		370.21	369.93
Note :-	<p>Company's Loan facility declared as non performing long back in 1998. The bank from which company had taken the loan was gone into liquidation and its banking license was cancelled in 2012. The liquidator of bank has floated the Settlement scheme of 2013 to offer the OTS facility for all borrowers whose accounts were become NPA after 1993. As per the Scheme amount payable is Principal Outstanding on NPA date, plus interest and cost and charges and adding debits other than accrued interest and Interest from 1.4.10 @6%p.a. till the date of payment of amount. Accordingly company calculated the amount and paid Rs.624.08 Lakhs. However liquidator has objected to the amount payable stating that as per scheme for all borrowers appointed date of NPA is fixed as 31.3.2001 and according to liquidator amount payable comes to Rs.1144.76 Lakhs in case of company. Company objected to the said amount and filed the petition in the Court. Court informed to settle the dispute in the arbitration proceedings. Arbitration award was granted in favor of the company on 3rd September, 2016. Liquidator filed the Commercial Arbitration petition challenging the Arbitration award in the Bombay High court. on 25th March 2019 order has been passed by the Court setting aside the Arbitration award. Again company has filed Appeal against the Arbitration petition Order in the Bombay Highcourt in July 2019. The Bombay highcourt has admitted the appeal on 14th February, 2020. After that no hearing has happened and matter is subjudice. According to Company and legal advisor only Rs.155 Lakhs will be further payable and same is already shown as current financial liability.</p>		
Note 28 : Material Uncertainty related to Going Concern	<p>The company has incurred losses, leading to the erosion of its net worth. Also allowance for expected credit loss amounting to Rs.548 Lakhs has been provided for Trade Receivables due to uncertainty regarding their recoverability and marked down of inventories of non moving traded fabrics by 50% of their carrying value has been done. Despite these financial challenges, the financial statements have been prepared on a going concern basis as Management is actively working to recover receivables and sustain the business through strategic measures aimed at improving financial stability and ensuring the company's continued operation. If measures taken by the management does not materialise as per the expectation then there exists material uncertainty about company's ability to continue as going concern</p>		
Note 29: Audit Trail - Edit Log	<p>The Company uses Accounting Software (Tally Prime Edit Log) for maintenance of books of accounts which has a feature of recording audit trail facility and same has operated throughout the year for all the relevant transactions recorded in the accounting software</p> <p>The company is also using Turkia software for maintenance of stock records with respect to Manufacturing activities which does not have feature recording of audit trail</p>		

30 Related Party Disclosures**a) List of Related Parties & Relationship:-****i. Key Management Personnel (KMP) :-**

Varun Thakkar (Managing Director)

Jay.R.Thakkar (CFO)

Shreya Chawak (Company Secretary)

ii. Relatives of KMP :-

Rasiklal Thakkar

Dakshali.R.Thakkar

iii. Enterprise in which KMP & Relative has Substantial Interest

Gravity Textiles Pvt Ltd

Rammaruti Textile Pvt Ltd

Dakshali Synthetics Pvt Ltd

Radha Textiles

Jay Textiles

Shivani Textiles

				(Rupees in Lakhs)
Nature of Transaction	KMP	Relatives of KMP	Enterprise in which Relative of KMP and KMP has control/significant Influence	Total
Remuneration C.Y	11.40	0.00	0.00	11.40
	P.Y. 12.35	0.00	0.00	12.35
Rent Received C.Y	0.00	1.92	0.00	1.92
	P.Y. 0.00	1.92	1.28	3.20
Expense Reimbursement Received C.Y	0.00	0.00	40.65	40.65
	P.Y. 0.00	0.00	46.36	46.36
Job Work C.Y	0.00	0.00	0.00	0.00
	P.Y. 0.00	0.00	38.99	38.99
Loan Taken C.Y	17.47	0.00	0.00	17.47
	P.Y. 4.36	0.00	0.00	4.36
Loan Repaid C.Y	23.46	0.00	0.00	23.46
	P.Y. 4.36	0.00	0.00	4.36
<u>Outstanding Balance included in</u>				
Trade Payables C.Y	0.21	0.00	0.00	0.21
	P.Y. 0.19	0.00	0.00	0.19

Reimbursement of Expenses Receivables				
C.Y	0.00	0.00	21.47	21.47
P.Y.	0.00	0.00	19.05	19.05

31 Gravity (India) limited

Summary additional regulatory information required by Schedule III

a) Title Deeds of Immovable Property not held in name of Company

Title Deed of Freehold Property is held in the name of company

b) Disclosure On Revaluation of Assets

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

c) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

d) Borrowings against current assets

Presently Company has not borrowed any amount against the Current assets. Previously company had borrowed against the current assets and loans has turned non performing long back and company has availed the settlement, hence no details with respect to currents assets are presently required to be furnished

e) Wilful defaulter

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

f) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

g) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

h) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

i) Utilisation of borrowed funds and share premium

The Company has not received securities premium through issue of equity and preference shares during the year ended March 31, 2022, and year ended March 31, 2023. There is no understanding with investors, in writing or otherwise, to lend or invest in other person or entities, directly or indirectly or provide any guarantee, security or the like to or on behalf of the said investors. The management has absolute discretion on use of such funds. Hence, the additional regulatory disclosure with respect to the utilisation of borrowed funds and share premium are not included in these financial statements.

j) Compliance with approved scheme of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

k) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

l) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

32 Summary of Financial Ratios

Financial Ratios

Sr No	Particulars	As at 31st March, 2024	As at 31st March, 2023	% of Variance	Reasons for Deviation above 25%
(i)	Current Ratio	1.23	2.59	(0.53)	Reduction in Net Profit due to Marking down Value of Slow Moving Stock & Allowance of Trade Receivable and Advances
(ii)	Debt- Equity Ratio	0.66	0.26	1.53	
(iii)	Debt Service Coverage Ratio	31.06	4.37	6.10	
(iv)	Return on Equity Ratio	0.86	0.10	7.86	
(v)	Inventory Turnover Ratio	1.17	2.44	(0.52)	
(vi)	Trade Receivable Turnover Ratio	0.53	1.32	(0.60)	
(vii)	Trade Payable Turnover Ratio	1.06	3.43	(0.69)	
(viii)	Net Capital Turnover Ratio	3.95	1.20	2.29	
(ix)	Net Profit Ratio	2.73	0.10	27.12	
(x)	Return on Capital Employed	1.18	0.07	15.90	
(xi)	Return on Investment	1.05	0.05	18.44	

	Ratio Definition	
(i)	Current Ratio	Current Assets Current Liabilities
(ii)	Debt- Equity Ratio	Debt Total Equity
(iii)	Debt Service Coverage Ratio	Earnings for Debt service (Refer note 1 below) Debt Service (Refer note 2 below)
(iv)	Return on Equity Ratio	Net Profit After Taxes Average Shareholder's Equity
(v)	Inventory Turnover Ratio	Cost of Production + Changes in Inventories Average Inventory
(vi)	Trade Receivable Turnover Ratio	Revenue from operations Average Trade Receivables
(vii)	Trade Payable Turnover Ratio	Revenue from operations Average Trade Payable
(viii)	Net Capital Turnover Ratio	Revenue from operations Working Capital
(ix)	Net Profit Ratio	Net Profit After Taxes Revenue from operations
(x)	Return on Capital Employed	EBIT Capital Employed (Net worth +Debt)
(xi)	Return on Investment	EBIT Total Assets

37th ANNUAL GENERAL MEETING - 30th SEPTEMBER 2024

CIN	L17110MH1987PLC04899
Name of the Company	Gravity (India) Limited
Corporate Office	Shree Rajlaxmi Commercial Complex, Bildg No."Q", Gala No.17,Thane-Bhiwandi Road, Village Kalher,Bhiwandi 421302
EVSN	130342
User ID	Existing members may refer to current password and new members are requested to refer Evoting instructions.
Password	Members holding shares in demat form should enter 16 digits beneficiary ID, and Members holding shares in Physical Form should enter folio Number registered with the Company

Note: E-Voting will commence on Friday 27th September 2024 (9:00 AM) and end on Sunday 29th September 2024 (5:00 PM)

Please refer to the E-Voting Instructions prior to casting your votes through e-voting.



GRAVITY (INDIA) LIMITED

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GALA NO. Q-17, SHREE RAJLAXMI COMMERCIAL COMPLEX,
OLD BHIWANDI THANE ROAD,
VILLAGE KALHER, TALUKA BHIWANDI,
DIST. THANE 421302.