GRAVITA

GRAVITA INDIA LTD.
Corp. Office : 402, Gravita Tower, A-27 B, Shanti Path,
Tilak Nagar, JAIPUR-302 004, Rajasthan (INDIA)
Phone : +91-141- 2623266, 2622697 FAX : +91-141-2621491
E-mail : info@gravitaindia.com Web. : www.gravitaindia.com
CIN : L29308RJ1992PLC006870

27th August, 2019

GIL/2019-20/48

To,

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001 Fax No.: 022-22722041 Scrip Code- 533282	The listing Department The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra- Kurla Complex Bandra(east) Mumbai- 400 051 Fax No.: 022-26598237/38 Company Code- GRAVITA

Sub:- Notice of 27th AGM of the Company along with Annual Report for the year ended March 31st, 2019

Dear Sir/Ma'am,

In terms of the provisions of Regulation 34 of Securities and Exchange Board of India(Listing Obligation and Disclosure Requirements) Regulation, 2015, please find attached herewith a copy of Notice 27th AGM of the Company scheduled to be held on Friday 20th September, 2019 at 11:00 a.m. at "Saurabh," Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 (Rajasthan).along with Annual Report for the financial year ended March 31st 2019

Please take the above on record and oblige.

Yours Faithfully
For **Gravita India Limited**

Nitin Gupta

Nitin Gupta
(Company Secretary)
FCS-9984

GRAVITA INDIA LIMITED JAIPUR

Encl: As Above

GRAVITA INDIA LIMITED

[CIN: L29308RJ1992PLC006870]

Regd. Office: 'Saurabh', Chittora Road, Harsulia Mod

Diggi-Malpura Road, Tehsil Phagi, Jaipur-303904 [Rajasthan]

Notice of 27th Annual General Meeting

Notice is hereby given that the **27th Annual General Meeting** of the Members of **Gravita India Limited [CIN–L29308RJ1992PLC006870]**, will be held on **Friday, 20th September, 2019** at **11.00 a.m.** at "Saurabh', Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 (Rajasthan) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the :

   a) Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the reports of the Board of Directors and Statutory Auditors thereon.

   b) Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the report of Statutory Auditors thereon.

2. To declare Final Dividend on Equity Shares for the Financial Year 2018-19.

3. To appoint a Director in place of Mr. Rajat Agrawal (DIN-00855284), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Statutory Auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any of Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s Walker Chandiok & Co LLP, Chartered Accountants having Firm Registration No FRN 001076N/N500013 be and are hereby appointed as Statutory Auditors of the company in place of retiring auditors M/s Deloitte Haskins & Sells, Chartered Accountants having Firm Registration No. 015125N, to hold office from the conclusion of 27th Annual General Meeting until the conclusion of 32nd Annual General Meeting of the company to be held in the year 2024 at such remuneration plus Good and Service Tax (GST) as applicable, out of pocket expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS

5. Appointment of Mr. Yogesh Malhotra (DIN: 05332393) as a Director of the Company:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Yogesh Malhotra (DIN: 05332393), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st March, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

6. Appointment of Mr. Yogesh Malhotra (DIN: 05332393) as Whole-time Director of the company and fixation of remuneration

To consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT subject to such approvals as may be required, pursuant to section 196, 197 and 203 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof, for the time being in force)and pursuant to recommendation of Nomination & Remuneration Committee and on approval of the Board of Directors of the Company, the consent of the members of the company be and is hereby accorded to appoint Mr. Yogesh Malhotra (DIN: 05332393) as Whole Time Director for a term of 3 years with effect from 31st March, 2019 at a remuneration and other terms and conditions as mentioned below:

SALARY AND PERQUISITES

Basic - ₹1,45,670/- Per month (Rupees One lacs forty five thousand six hundred seventy only)

HRA, Perquisites & Other allowances – ₹2,88,181 (Rupees Two lacs eighty eight thousand one hundred eighty one only)

OTHER TERMS AND CONDITIONS

- The Whole Time Director shall be entitled to the facilities as are allowable to the employees of Senior Management Cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred by him in connection with the business of the Company.
- Wherein any financial year during the tenure of Whole Time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Yogesh Malhotra, Whole Time Director remuneration as prescribed in Schedule V of the Companies Act, 2013, subject to approvals, if any as may be required.
- Gratuity payable as per the rules of the Company but not exceeding 15 days salary for each completed year of the service and encashment of the leave at the end of tenure and provident fund will not be included in the computation of salary to the extent the same are not taxable under the Income Tax Act,1961.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter, vary and modify any of the terms and conditions as mentioned above, including salary, allowances and perquisites in accordance with and subject to the limits prescribed in Section 196, 197 and/or Schedule V of the Companies Act, 2013 or any amendment or any statutory modifications or re-enactment thereof, subject to approvals, if any, as may be required and as may be agreed between the Board of Directors and Mr. Yogesh Malhotra."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all things, deeds, acts and matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Approval of remuneration of Mr. Rajat Agrawal (DIN: 00855284), Managing Director in terms of Regulation 17(6) (e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment:

To consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to regulation 17(6) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read- with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, consent of the Members be and is hereby accorded to the continuation of payment of remuneration to Mr. Rajat Agrawal (DIN: 00855284), Managing Director as per existing terms and conditions including remuneration as approved by Members in their Annual General Meeting held on 01st September, 2018, till the expiry of his current term notwithstanding:

i. The annual remuneration payable to Mr. Rajat Agrawal exceeds ₹5.00 crore or 2.50 per cent of the net profits of the Company, whichever is higher; or

ii. The aggregate annual remuneration to all Executive Directors who are promoters of the Company exceeds 5 per cent of the net profits of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

8. Approval of remuneration of Dr. Mahavir Prasad Agarwal (DIN: 00188179), Whole-time Director in terms of Regulation 17(6) (e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment:

To consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to regulation 17(6) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read- with the provisions of Sections 196, 197, 198 and other applicable provision of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, consent of the Members be and is hereby accorded to the continuation of payment of remuneration to Dr. Mahavir Prasad Agarwal (DIN: 00188179), Whole Time Director as per existing terms and conditions including remuneration as approved by Members in their Annual General Meeting held on 01st September, 2018, till the expiry of his current term notwithstanding:

i. The annual remuneration payable to Dr. Mahavir Prasad Agarwal exceeds ₹5.00 crore or 2.50 per cent of the net profits of the Company, whichever is higher; or

ii. The aggregate annual remuneration to all executive Directors who are promoters of the Company exceeds 5 per cent of the net profits of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

9. **Payment of Remuneration to Cost Auditors for Financial Year 2019-2020**

To consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), the remuneration of ₹55,000/- (Rupees Fifty Five Thousand only) plus applicable tax and out of pocket expenses payable to M/s. K.G. Goyal and Associates (Firm Registration No. 000024), Cost Accountants appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending 31st March, 2020, be and is hereby ratified and confirmed."

10. **Re-appointment of Mrs. Chanchal Chadha Phadnis (DIN: 07133840) as an Independent Director for a second term of 5 (five) years:**

To consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Rules made thereunder read with Schedule IV to the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association of the Company, and subject to such other laws, rules and regulations as may be applicable in this regard, Mrs. Chanchal Chadha Phadnis (DIN: 07133840), who was appointed as an Independent Director of the Company for a term of 5 consecutive year(s) and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director be and is hereby re-appointed as an Independent Director for a further term of Five (5) consecutive years from 24th March, 2020 to 23rd March, 2025."

"RESOLVED FURTHER THAT the Board of Directors of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable in this regard."

By Order of the Board of Directors

Sd/-

Date: 14th August, 2019
Place: Jaipur

Nitin Gupta
Company Secretary
FCS:9984

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY STAMPED, FILLED AND SIGNED INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE COMMENCEMENT OF THE MEETING.**

2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. An Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Businesses in the Notice is annexed hereto and forms part of this Notice.

4. Members and Proxies attending the Meeting are requested to bring their attendance slip duly filled along with their copy of Annual Report to the Meeting.

5. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

6. The Register of Members and Share Transfer books of the Company shall remain closed from Friday, 13th September, 2019 To Friday, 20th September, 2019 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares.

7. Payment of Dividend as recommended by the Directors, if approved at the Meeting, will be made to those members whose names are on the Company's Register of Members at the end of business hours of 12th September, 2019 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by the Depositories, viz. National Securities Depositories Limited and Central Depository Services (India) Limited as Beneficial Owners as on that date.

8. Members are requested to note that Dividends that are not claimed for a period of 7 (seven) Years from the date of transfer to the Company's Unpaid Dividend Accounts shall be transferred to the Investor Education and Protection Fund (IEPF) established Under Section 125 of the Companies Act, 2013. Further the shares on which dividend remains unclaimed for seven consecutive years will be transferred to IEPF suspense Account.

9. The members who have not yet enchased their dividend warrants for the below mentioned financial years, are requested to forward their claims to the Company's Registrar and Share Transfer Agents (RTA). It may be noted that once the unclaimed dividend and/or unclaimed application money is transferred to the Investor Education and Protection fund (IEPF) as above, no claims shall rest with the Company in respect of such amount. The details of unclaimed dividend are as under :

Financial Year Ended	Nature of Amount
31st March, 2012	Interim Dividend
31st March, 2012	Final Dividend
31st March, 2013	Interim Dividend
31st March, 2013	Interim Dividend
31st March, 2013	Final Dividend
31st March, 2014	Interim Dividend
31st March, 2014	Final Dividend
31st March, 2015	Final Dividend
31st March, 2016	Final Dividend
31st March, 2017	Final Dividend
31st March, 2018	Final Dividend

10. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 01st September, 2018 (date of last Annual General Meeting) on the website of the Company at **http://www.gravitaindia.com/investors/iepf-details.**

11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy Fintech Pvt. Ltd. (RTA of the Company) quoting reference of the Registered Folio Number.

12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to RTA of the Company, for consolidation into single folio.

13. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote.

14. The certificate, from M/s Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company for the financial year 2018-19, certifying that the Company's Stock option Scheme 'Gravita Employees Stock Option Plan 2011' and 'Gravita Stock Appreciation Right Scheme 2017' are being implemented in accordance with the SEBI Guidelines as amended, and in accordance with the resolution passed by shareholders shall be available for inspection by the members at the AGM.

15. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

16. Disclosure of inter-se relationships between directors and shareholding of Independent Directors as per SEBI (LODR), Regulations 2015 is disclosed in Corporate Governance Report of the Company for F.Y. 2018-19.

17. Information pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015 and Secretarial Standards in respect of the directors who are proposed to be appointed/reappointed at the ensuing Annual General Meeting under Item Nos. 5,6,7,8 and 10 of the Notice is as under:

Particulars	**Mrs. Chanchal Chadha Phadnis**	**Mr. Yogesh Malhotra**	**Mr. Rajat Agrawal**	**Dr. Mahavir Prasad Agarwal**
Date of Birth	24th February, 1954	08th July, 1968	09th August, 1967	01st March, 1934
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on Board	24th March, 2015	31st March, 2019	04th August, 1992	04th August, 1992
Brief Profile, Qualification and Expertise in specific functional Areas	Mrs. Chanchal Chadha Phadnis is a professional banker having 36 years of rich and varied exposure in the field of Banking Industry. She has served as administration head of SBI's Delhi Zone and incharge HRM & Training of Jaipur Zone. She has also served as an advisor of BIFR, Ministry of Finance for a period of 5 years by providing her expertise in financial, legal and banking related matters. In addition, she has also acted as member and chairperson of "Internal Complaints Committee on Prevention of Sexual Harassment at Workplace" of State Bank of India, Local Head Office, New Delhi	Mr. Yogesh Malhotra aged about 50 years is an Engineering graduate with a BE (Mechanical) degree from MREC, Jaipur and an MBA from National University of Singapore. He has Over 25 years of National and International experience and expertise in the Asia Pacific markets. He had served in various capacities in top organizations like: Blue Star, Castrol and Eurochem.	Mr. Rajat Agrawal aged about 51 years is a Bachelor of Engineering from MNIT, Jaipur and carry rich experience of over 26 years in establishing and handling manufacturing operations. He has attended various management development programmes and has participated in, and contributed to, many prestigious international industry conferences. He has also attended OPM, an advanced management programme at the Harvard Business School, USA. Mr. Agrawal has been instrumental in transforming the Indian Lead Recycling industry with his progressive outlook. Under his leadership, the Gravita group has grown leaps & bounds, into a true Indian multinational, with subsidiaries in more than 14 countries across continents.	Dr. Mahavir Prasad Agarwal aged about 85 years has done MBBS M.D. in General Medicine and worked in the Department of Medical & Health, Government of Rajasthan in various capacities from 1958 to 1992. He retired as Director of Department of Medical & Health, Rajasthan in 1992. After retirement, Dr. Agarwal engaged himself in the business of Lead Manufacturing and Trading with his technocrat son to gather vast 26 years of experience in the Lead Metal Industry. He is an Instrumental guiding force and source of inspiration to whole Gravita Team.
Number of Shares held in the Equity Capital of the Company	Nil	26,506 Equity shares of ₹2/- each	Mr. Rajat Agrawal holds 47.33% equity shares of total share capital of the Company.	Dr. M.P. Agarwal is Trustee of Agrawal Family Private Trust which holds 25.12% shareholding of the Company

Directorship/ Committee memberships in other companies:	Nil	Directorships : Noble Buildestate Private Limited Gravita Impex Private Limited	Directorships : Gravita Infotech Limited Saurabh Farms Limited Devonic Ventures Private Limited Committee Membership : NIL	Directorships : Gravita Infotech Limited Saurabh Farms Limited Shah Buildcon Private Limited Jalousies (India) Private Limited Karvrish Assets Private Limited Karvrish Resources Private Limited Committee Membership : NIL
Relationship with other directors Manager and other Key Managerial Personnel of the company	Nil	Nil	Dr. Mahavir Prasad Agarwal is Father of Mr. Rajat Agrawal Managing Director of the Company apart from this there is no relationship of Mr. Agrawal from any Directors and KMP's of the Company.	Dr. Mahavir Prasad Agarwal is Father of Mr. Rajat Agrawal Managing Director of the Company apart from this there is no relationship of Dr. Agarwal from any Directors and KMP's of the Company.
Number of Meetings of the Board attended during the year	During F.Y. 2018-19 total 8 (eight) meetings were held and Mrs. Chanchal Chadha Phadnis attended 6 (Six) Board Meetings.	Mr. Yogesh Malhotra did not attended any Board meeting of the company in F.Y. 2018-19 as he was appointed w.e.f 31st March, 2019.	During F.Y. 2018-19 total 8 (eight) meetings were held and Mr. Rajat Agrawal attended 6 (six) Board Meetings.	During F.Y. 2018-19 total 8 (eight) meetings were held and Dr. Mahavir Prasad Agarwal attended 8 (eight) Board Meetings.

18. Electronic copy of Annual Report 2018-19 and Notice of the 27th Annual General Meeting of the Company inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice of the 27thAnnual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

19. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on following URL http://www.gravitaindia.com/investors/e-communication. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request

20. In compliance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR), Regulations, 2015, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically on all resolutions set forth in this Notice.

    For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited ("CDSL") for facilitating e-voting. The Board of Directors of the Company has appointed Mr.Pradeep Pincha, Practicing Company Secretary as Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.

The instructions for members for voting electronically are as under:-

(i) The e-voting period begins on Tuesday 17th September, 2019 at 09.00 a.m. and ends on Thursday, 19th September, 2019 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 13th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website **www.evotingindia.com**.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is 3 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant<GRAVITA INDIA LIMITED> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. i-phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**

By Order of the Board

Sd/-

Date: 14th August, 2019
Place: Jaipur

Nitin Gupta
Company Secretary
FCS: 9984

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Special Businesses mentioned in the accompanying Notice:

ITEM NO. 4

The Members of the Company at the 22nd Annual General Meeting ('AGM') held on 02nd August, 2014 approved the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of the said AGM. M/s Deloitte Haskins & Sells will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of M/s Deloitte Haskins & Sells, Chartered Accountants for conducting the audit for the financial year 2018-19 is ₹31.00 Lacs plus Goods and Services tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s Walker Chandiok & Co LLP Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 32nd AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of M/s Walker Chandiok & Co LLP Chartered Accountants for the financial year 2019-20 as ₹30.50 Lacs plus Goods and Services Tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s Walker Chandiok & Co LLP Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s Walker Chandiok & Co LLP Chartered Accountants have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. The Board recommends this Resolution for your approval.

ITEM NO. 5 AND 6

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Yogesh Malhotra as Additional Director of the Company with effect from 31st March, 2019 in accordance with Section 161 of the Act. He holds office up to the date of the Annual General Meeting of the Company. The Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director.

Further, as recommended by Nomination & Remuneration Committee and approved by Board of Directors at their respective meetings held on 31st March, 2019, Mr. Yogesh Malhotra was appointed as Whole Time Director of the Company for a period of 3 years w.e.f. 31st March, 2019 subject to the approval of the members of the Company. In terms of the provisions of Companies Act, the Nomination and Remuneration Committee of the Board and the Board of Directors have appointed him on the current remuneration of ₹55.00 Lacs (which includes Provident fund and Gratuity) and excludes Performance Incentive. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act as the case may be.

Disclosures as per Schedule V of Companies Act, 2013

I. **General Information**

i. **Nature of Industry:** Gravita India Limited is engaged in manufacturing and recycling of Lead, Aluminium and Plastic Products.

ii. **Date of commencement of commercial production:** In year 1992

iii. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.

iv. **Financial performance based on given indicators:** **(₹ in Crores)**

Particulars	2017-18	2018-19
Total Revenue	796.57	1059.35
Profit Before Tax	36.27	24.10
Net Profit After Tax	25.46	18.95
EPS	3.71	2.76

v. **Foreign investments or collaborators, if any:** The Company has formed various wholly owned subsidiaries globally by investing in their equities, from time to time. Details of the same are disclosed in Board Report.

II. **Information about the Appointee**

i. **Background Details**
Mr. Yogesh Malhotra aged about 50 years is an Engineering graduate with a BE (Mechanical) degree from MREC, Jaipur and an MBA from National University of Singapore. He has Over 25 years of National and International experience and expertise in the Asia Pacific markets. He had served in various capacities in top organisations like: Blue Star, Castrol and Eurochem.

ii. **Past Remuneration**
Not Applicable as he is appointed as new director on the board of the company. Earlier than that he was working as SBU Head-Plastics in the Company

iii. **Recognition or Awards:**
NIL

iv. **Job Profile and his Suitability**
Mr. Yogesh Malhotra is serving company since 2011 and he is having excellent grasp and thorough knowledge and experience of not only Engineering and Technology but also of General Management. Looking into his knowledge in various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Yogesh Malhotra should be continued with the Company.

v. **Remuneration proposed:**
The remuneration proposed is detailed in the resolution.

vi. **Comparative remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person**
Looking into the vast experience of Mr. Yogesh Malhotra, the proposed remuneration is in consensus with remuneration paid to the KMP's of other industries of similar size for similarly placed persons.

vii. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**
None

III. OTHER INFORMATION:

i. **Reasons of loss or inadequate profits:**
The major reason for loss/inadequate profit is due to downfall in average LME prices in F.Y. 2018-19 resulting in reduction of selling prices. Apart from this the other reasons for loss were increased Employee Cost, Finance Cost coupled with Forex Losses

ii. **Steps taken or proposed to be taken for improvement:**
The company will focus on increasing its margins and profitability by enhancing its value-added products segment. The company has plans to establish some more scrap collection yards to have deep routed procurement network which will result in increased volumes of local scrap at cheaper prices. Also the company is increasing its customer base to have better sales realization for its plastic products.

iii. **Expected increase in productivity and profit in measurable terms:**
Considering the above mentioned measures and best management efforts coupled with favorable market conditions the company is expecting a growth of 15% in bottom line.

IV. DISCLOSURES:

The details required to be given under this head are disclosed in Corporate Governance Report of the Company which forms part of Annual Report 2018-19.

The resolutions and explanatory statement will be deemed to be as written memorandum executed between the company and Mr. Yogesh Malhotra. Further, Mr. Yogesh Malhotra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Whole Time Director of the Company.

The Board of Directors is of the opinion that knowledge and experience Mr. Yogesh Malhotra will be of immense value to the Company. The Board, therefore, recommends the approval of the resolutions set out at item no. 5 and 6 of the Notice convening the Meeting.

Except Mr. Yogesh Malhotra, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 7

In terms of Regulation 17 (6) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

i. the annual remuneration payable to such executive director exceeds ₹5.00 crore or 2.50 per cent of the net profits of the listed entity, whichever is higher; or

ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director. Mr. Rajat Agrawal (DIN: 00855284) was re-appointed as Managing Director for a term of three years effective from 25th September, 2018 and his remuneration was also approved by the Members of the Company in their Annual General Meeting held on 01st September, 2018 by way of Special Resolution. In order to comply with the requirement of Amended Listing Regulations and on recommendation of Board of Directors, approval of Members by way of Special Resolution is sought for paying him remuneration even if the annual aggregate remuneration payable to Mr. Rajat Agrawal, Managing Director and Dr. Mahavir Prasad Agarwal, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

The Board of Directors recommended the resolution at Item No. 7 of the Notice for approval of Members by Special Resolution.

Mr. Rajat Agrawal, who is interested himself and Dr. Mahavir Prasad Agarwal, Whole-time Director, being father of Mr. Rajat Agrawal are interested in the resolution

Apart from above none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 8:

In terms of Regulation 17 (6) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

i. the annual remuneration payable to such executive director exceeds ₹5.00 crore or 2.50 per cent of the net profits of the listed entity, whichever is higher; or

ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director. Dr. Mahavir Prasad Agarwal (DIN: 00188179) was re-appointed as Whole Time Director for a term of three years effective from 01st April, 2018 and his remuneration was also approved by the Members of the Company in their Annual General Meeting held on 01st September, 2018 by way of Special Resolution. In order to comply with the requirement of Amended Listing Regulations and on recommendation of Board of Directors, approval of Members by way of Special Resolution is sought for paying him remuneration even if the annual aggregate remuneration payable to Dr. Mahavir Prasad Agarwal, Whole Time Director and Mr. Rajat Agarwal, Managing Director, exceeds 5% of the net profit of the Company, as calculated under section 198 of the Companies Act, in any year during the remaining tenure of his appointment.

The Board of Directors recommended the resolution at Item No. 8 of the Notice for approval of Members by Special Resolution.

Dr. Mahavir Prasad Agarwal, who is interested himself and Mr. Rajat Agrawal, Managing Director, being son of Dr. Mahavir Prasad Agarwal are interested in the resolution

Apart from above none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 9:

The Board of Directors, at its Meeting held on 28th May, 2019, upon the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. K.G. Goyal & Co. Cost Accountant, Jaipur as Cost Auditors of the Company, for conducting the audit of the cost records of the Company, for the financial year ending on 31st March, 2020 at a remuneration of ₹55,000/- excluding the reimbursement of Goods and Service Tax.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of a Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the Members is sought for passing an ordinary resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2020.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said Resolution.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

A brief profile of M/s. K.G. Goyal & Co. Cost Accountant, Jaipur along with letter of appointment as issued by the Company to Cost Auditors of the Company shall be available for inspection at the Registered Office of the Company during the office hours.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

ITEM NO. 10:

Mrs. Chanchal Chadha Phadnis was appointed as an Independent Non-Executive Director of the Company by the members at the 23rdAGM of the Company held on 8th August, 2015 for a period of five consecutive years commencing from 24th March, 2015 upto 23rd March ,2020.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Chanchal Chadha Phadnis, being eligible for re-appointment as an Independent Director, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from 24th March, 2020 to 23rd March, 2025."

The Company has received declaration from her stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She has also given her consent to continue to act as Director (category independent) of the Company, if so appointed by the members.

As required under Section 160 of the Companies Act, 2013, Notice has been received from a member proposing the candidature of Mrs. Chanchal Chadha Phadnis for the Office of Director of the Company. Further as per Schedule IV of Companies Act, 2013 the re-appointment of independent director shall be on the basis of report of performance evaluation therefore as per performance evaluation done by Nomination and Remuneration Committee and Board of Directors of the company the performance of Mrs. Chanchal Chadha Phadnis is found satisfactory. Therefore on recommendation of Nomination & Remuneration Committee the Board of the Company at its meeting held on 28th May, 2019 has also re-commended the said appointment.

In the opinion of the Board, Mrs. Chanchal Chadha Phadnis fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for her reappointment as an Independent Non-Executive Director of the Company and is independent of the management.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Chanchal Chadha Phadnis as an Independent Director. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mrs. Chanchal Chadha Phadnis as an Independent Director for another term of five consecutive years with effect from 24th March, 2020 to 23rd March, 2025, for the approval by the shareholders of the Company.

By Order of the Board

Sd/-

Date: 14th August, 2019 — **Nitin Gupta**
Place: Jaipur — **Company Secretary**
FCS: 9984

GRAVITA INDIA LIMITED

(CIN: L29308RJ1992PLC006870)

Regd. Office: 'Saurabh', Chittora Road, Harsulia Mod

Diggi Malpura Road, Tehsil Phagi, Jaipur-303904 (Rajasthan)

FORM MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s): ……………………………………………………………………………………

E-mailId: ……

Registered address:……………………………………………………………………………………………

Folio/Client Id:……………………………………………………………………………………………………

DP ID:………

I/We, being the member (s) of …………….. Shares of the above named company, hereby appoint:

1) Name:……………………………………………Address………………………………………………………………………………………

E-mail id……………………………………………………………Signature……………………………… or failing him/her

2) Name:……………………………………………Address………………………………………………………………………………………

E-mail id……………………………………………………………Signature……………………………… or failing him/her

3) Name:……………………………………………Address………………………………………………………………………………………

E-mail id……………………………………………………………Signature……………………………… or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Friday, 20th September, 2019 at 11.00 a.m. at "Saurabh", Chittora Road, Harsulia Mod, Diggi Malpura Road, Tehsil Phagi, Jaipur, 303904 (Rajasthan) and at any adjournment thereof in respect of such resolutions as are indicated below:

I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

S. No.	Description of Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt the : a). Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the reports of the Board of Directors and Auditors thereon. b). Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the report of Auditors thereon		
2	Approval of final dividend for F.Y. 2018-19		
3	Appointment of Director in place of Mr. Rajat Agrawal (DIN: 00855284) who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appointment of Statutory Auditors for a period of 5 Years		
Special Business			
5	Appointment of Mr. Yogesh Malhotra (DIN: 05332393) as a Director of the Company		
6	Appointment of Mr. Yogesh Malhotra (DIN: 05332393) as Whole-time Director of the company and fixation of remuneration		
7	Approval of remuneration of Mr. Rajat Agrawal (DIN: 00855284), Managing Director in terms of Regulation 17(6) (e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment		
8	Approval of remuneration of Dr. Mahavir Prasad Agarwal (DIN: 00188179), Whole-time Director in terms of Regulation 17(6) (e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment		
9	Ratification of remuneration of Cost Auditors of the Company under Section 148 of Companies Act, 2013		
10	Re-appointment of Mrs. Chanchal Chadha Phadnis (DIN: 7133840) as an Independent Director for a second term of 5 (five) years:		

Signed this………. day of……….2019

Re. 1/-
Revenue
Stamp

Signature of Shareholder   Signature of Proxy holder (s)

Please put a (√) in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. A Proxy need not be a member of the Company.

2. This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company not less than 48 hours before the commencement of the meeting.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a Certified Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

GRAVITA INDIA LIMITED

(CIN: L29308RJ1992PLC006870)

Regd. Office: 'Saurabh', Chittora Road, Harsulia Mod

Diggi Malpura Road, Tehsil Phagi, Jaipur-303904 (Rajasthan)

ATTENDANCE SLIP

Regd. Folio No. / Client ID:..

DP ID:...

Name & Address of First / Sole Shareholder:..

No. of Shares held:...

I hereby record my presence at the 27th Annual General Meeting of the Company held on Friday, 20th September, 2019 at 11.00 a.m. at Saurabh, Chittora Road, Harsulia Mod, Diggi Malpura Road, Tehsil Phagi, Jaipur, 303904. (Rajasthan)

____

Signature of the Member / Proxy

Notes:

a) Only Member / Proxy can attend the meeting.

b) Member / Proxy who wish to attend the meeting must bring this attendance slip to the meeting and hand it over at the entrance of the meeting hall.

c) Member / Proxy should bring his / her copy of the Annual Report for reference at the meeting.

ROUTE MAP


Location Map
J.L.N Marg
Jawahar
Circle Garden
Jaipur
International Airport
Tonk Road
NH 12
Sanganer Road
Sanganer Thana
Flyover
Sanganer Road
Tonk Road
Diggi Malpura Road
Diggi Malpura Road
Renwal Manji
Toll Plaza
Harsulia Mod
Gravita
India Ltd.
Chittora Road
Phagi

GRAVITA

AN INDIAN MULTINATIONAL COMPANY

2018-19
ANNUAL REPORT

SUSTAINABILITY
Our Way of life

WE RECYCLE TO SAVE ENVIRONMENT

Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Overview

Statutory Section

Financial Statements

Find this Annual report online at

www.gravitaindia.com

We aim to be the most sustainable company in recycling industry. Each of our practices and processes are aligned with environmental and social goals.

Gravita has been striving hard to institutionalize sustainable practices in every aspect of business. Our endeavour has been to understand the direct and indirect impact of our activities and focus our efforts to streamline our operations in the most efficient manner. We continue to work towards creating wealth of our stakeholders and reducing environmental impact from our recycling operations. As part of Gravita's strategic focus on responsible business conduct, the company will actively engage its stakeholders and continue strengthening its relations as a long-term owner and business partner, true to its commitments, values and the purpose of empowering societies.

Know Gravita

Gravita India Ltd. is one of the foremost secondary Lead producers of India catering to the needs of auto, power, medical, nuclear and telecom industry

Incorporated in 1992, we commenced our journey with recycling of secondary lead and Lead based products. over the years, we diversified into recycling of aluminium and plastics (PP and PET). We are actively involved in collection of scrap globally and processing the same at strategically located recycling facilites across the world. We also provide turnkey solutions by manufacturing and selling state-of-the-art recycling equipment.

Recycling being integral to our business, we entered in manufcturing of value added products from recycled Lead, Aluminium and Plastics. We have been a value driven company that focused on quality of its products. Our growth is anchored by our team of dedicated and competent employees. Over the years, we have expanded our recycling and marketing presence to serve our customers present across the globe.

Manufacturing Capital

1,12,819
Production Capacity of Lead (in MTPA)

13,200
Production Capacity of Aluminium (in MTPA)

26,400
Production Capacity of Plastic (in MTPA)

Natural Capital

64,840
Lead Recycled during the Year (in MT)

7,386
Aluminium Recycled during the Year (in MT)

7,962
Plastic Recycled during the Year (in MT)

Human Capital

1,750+
Number of Employees

Financial Capital

1,242
Revenue in FY 2018-19 (₹ in Cr.)

Social Relationship Capital

40,600
Order Book (in MT)

SUSTAINABILITY - Our Way of Life

RESPONSIBLE BUSINESS

Responsible business and sustainability is and integral part of Gravita's business strategy. It is about how we do business.

INSTALLED CAPACITY
As on 31st March 2019
1,52,419 MTPA

DIVERSE WORKFORCE
Working in multi locations globally with diversed manpower

SAFETY, HEALTH & ENVIRONMENT (SHE)
adhering to strict SHE policy by conducting periodical training

NO. OF COUNTRIES
Global footprints
in more than 60 countries

SUPPLY CHAIN SUSTAINABILITY
deep root scrap collection network in more than 50 countries

CSR
committed for betterment of society by promoting health, education & environment

ILA APPROVED
International Lead Association
Approved plant

RESEARCH & DEVELOPMENT
State-of-the-art
research and development wing

The world's population size has grown over the last couple of decades and waste generation has increased rapidly which has a significant effect on humanity, wildlife and the environment. Waste generation is a natural product of urbanization, economic development, and population growth.

The new world has changed by urbanization and industrialization leaving very less time for all of us to think towards environment. Driven by rapid urbanization and growing populations, global annual waste generation is expected to jump to 3.4 billion tonnes over the next 30 years, up from 2.01 billion tonnes in 2016 (World Bank Report).

While waste disposal was once a local concern, today it is a global challenge now. Managing waste properly is essential for building sustainable and livable cities which are the responsibility of all of us besides respective governments.

We, at Gravita, are recycling experts with a passion to save the environment. Gravita is a Global Green Company having recycling operations in Lead, Aluminium and Plastics with presence in more than 9 countries. Responsible business and sustainability is an integral part of Gravita's business strategy. It is about how we do business.

We operate in emerging economies with potentially complex, different cultures and different business environments. We are committed to maintain a responsible business conduct as part of our business strategy throughout the recycling process, i.e., from collection of scrap to make a reusable end product. Sustainability is a business approach to create long-term value by taking into consideration the ecological, social and economic environment.

In coming years, our business environment will become increasingly complex due to stringent environment norms being implemented by government across the world. We are always working towards upgrading processes through our dedicated R&D Team to match changing environment regulations. Creating and strengthening awareness about recycling, collection and processing of scrap eco-friendly using state of the art technology are key to securing our license to operate and ensure responsible business practices.

We will contribute to the economic, environmental and social development in the countries in which we operate, acting with accountability, transparency and focus on safety. Our corporate values and ethical standards represent an important foundation for articulating and implementing the governance framework.

Business at a Glance

Product Portfolio

40+

Widest product spectrum under one umbrella

Our Continuous Research and Development (R&D) activities along with operational efficiency have helped us move ahead towards excellence. Our products include:

Lead Products	Value Added Products
• Pure Lead • Lead Tin Alloy • Lead Antimony alloy • Lead Arsenic Alloy • Lead Mix Metal Alloy • Lead Copper Alloy • Lead Cadmium Alloy • Lead Calcium Alloy	• Lead Sheet • Lead Balls • Lead Powder • Lead Bricks • Lead Plates • Lead Pipes • Red Lead • Litharge • Grey Oxide • Lead Wool • Lead Wire • Lead Ballast
Aluminum Products	**Plastic Products**
• Aluminium Alloy Ingots • ADC 12 • JED • LM24 • LM28 • LM13 • LM9 • LM6 • ALSI132 • AC4B • HS1	• PET Flakes • HDPE Flakes • PPCP Granules • HDPE Granules • LDPE Granules • Polypropylene Chips • PP Granules • ABS Chips • ABS Granules

Turnkey Solutions

Gravita offers Turnkey solutions for Lead Acid Battery Recycling Processes and Plants. The company is one of the leading Turnkey project suppliers for Lead smelting and recycling.

Key services include:

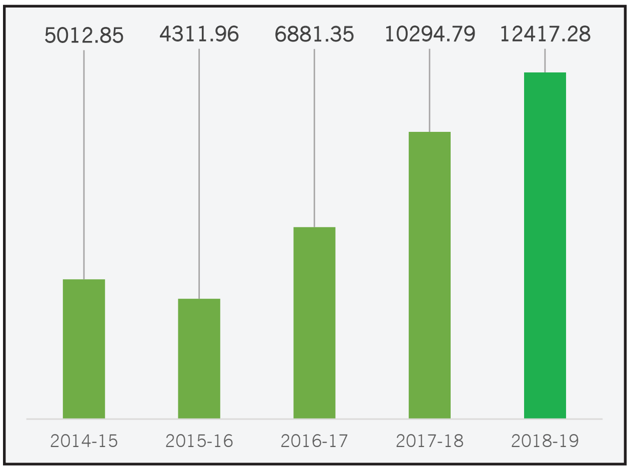
- Lead Acid Battery Recycling Technology
- Technical Consultancy & Services for Lead Recycling & Smelting
- Secondary Lead Smelting Plants
- Lead Refining, Alloying Techniques & Equipment
- Lead Sub-Oxide, Red Lead & Litharge Recycling Plants
- Pollution Control Systems for Lead Processing Industries
- PLC based Control & Monitor System for advanced set-ups
- After Sales Services

60+
No. of Turnkey Plants Executed

43+
No. of Countries in which Turnkey plants are established

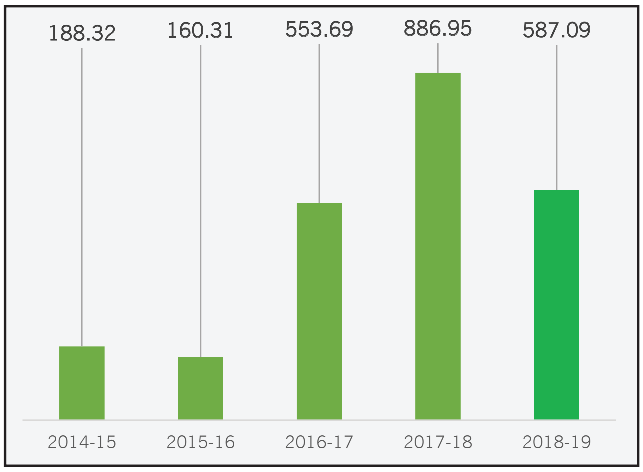
Financial **Snapshot**

REVENUE
(₹ In Million)



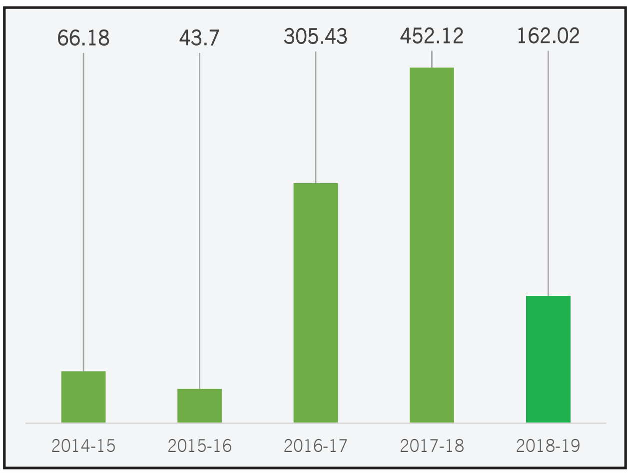
27%
10 Year CAGR of Revenue

EBITDA
(₹ In Million)



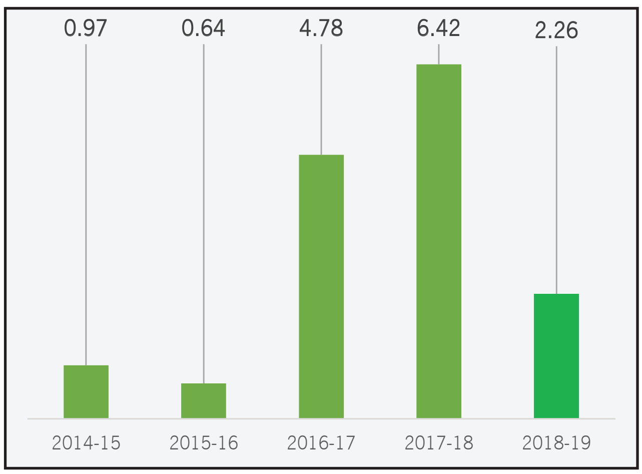
20%
10-Year CAGR of EBITDA

PAT
(₹ In Million)



12%
10 Year CAGR of PAT

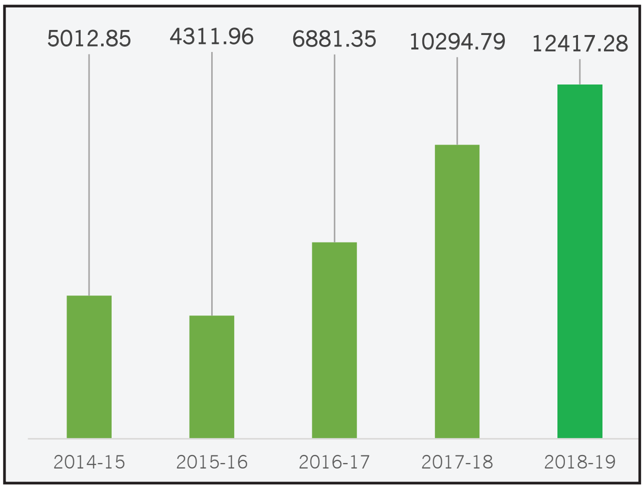
EPS
(₹ In Per Share)



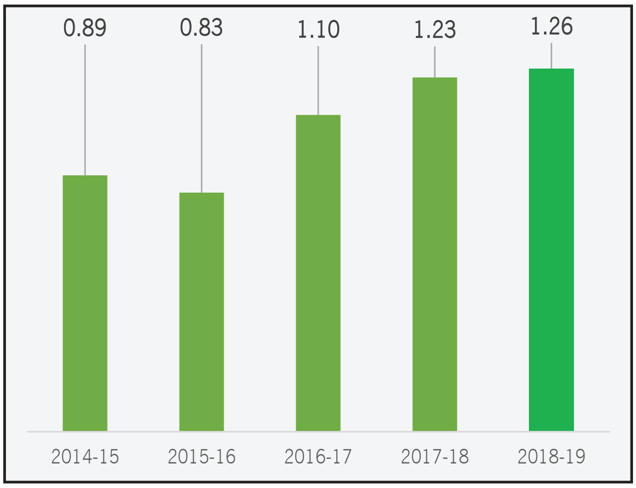
*F.Y. 2014-15 & 2015-16 based on I-GAAP and figures of F.Y. 2016-17, 2017-18 & 2018-19 based on IND AS.

Networth

(₹ In Million)

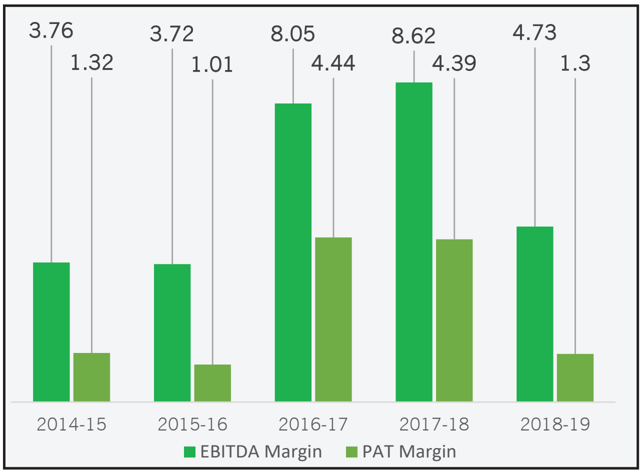


Debt Equity Ratio



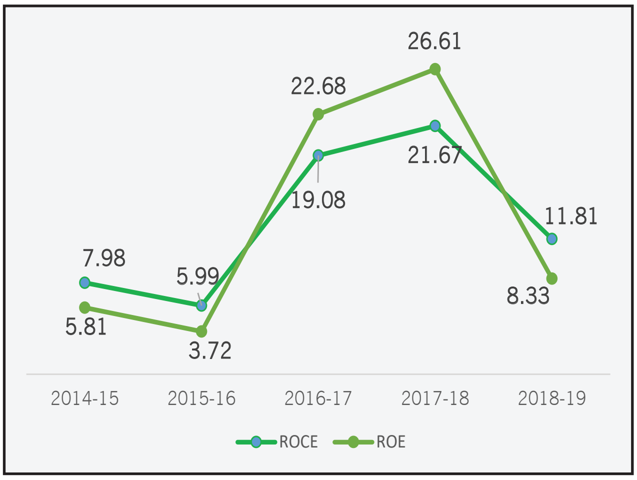
EBITDA Margin and PAT Margin

(In %)



ROCE & ROE

(In %)



*F.Y. 2014-15 & 2015-16 based on I-GAAP and figures of F.Y. 2016-17, 2017-18 & 2018-19 based on IND AS

Chairman's Message

Dear Shareholders,

I write this letter with a sense of pride about how your Company performed this year, not just in financial terms, but also in terms of what we accomplished for customers, employees, shareholders and communities across the world.

Brands take a long time to build, and are an outcome of how we conduct ourselves with our stakeholders. Our values guide us in everything we do, and are core to the reputation for trust and integrity that we have built up over the decades.

During F.Y. 2018-19 the International Commodity Market has seen downward trend which was largely due to slow down in Chinese Market. Commodity prices in the third quarter of 2018 were buffeted by geopolitical and macroeconomic events. Inventories have also fallen to the lowest level in nearly 10 years. Lead prices are projected to gradually increase in the coming financial years but remained 11.60 percent lower than in 2017-18. More stringent environmental regulations in China restricting the recycling of lead scrap materials, which accounts for more than two-fifths of total refined production, presents an upside risk to the forecast. Over the medium term, a shift toward electric vehicles is likely to depress demand for lead, which is heavily used in batteries for internal combustion engine vehicles but not in electric vehicles. The International Lead prices have seen levels of below $ 1,966 and average of $ 2,120 during the period. The industry was also affected by currency fluctuations, sluggish demand, consumer down trend and continued to be fraught with challenges.

Infrastructure spending and strong automotive sales globally are likely to boost the demand of Lead in coming financial years. Infrastructure and automobile industries are the main demand drivers for Lead in India. We have been consistently increasing our production capabilities to make Gravita self-sufficient.

The overall industry is undergoing rapid changes and it has become essential to continuously refine and sharpen our capabilities. While responding to these changes is imperative, response capability alone will not be sufficient to generate long term sustainable value for stakeholders. Anticipation of the future shape of the industry and taking steps today, to rightly position the Company is extremely important.

For a business that has navigated technology change, the ups and downs of short term economic cycles become insignificant blips in the broader sweep of history. Your Company has shown itself to be immensely entrepreneurial, agile, adaptive and innovative over the years, and these attributes will continue to serve it well in the years ahead.

Despite of all internal as well as external factors the company performed rationally well and the revenues of F.Y. 2018-19 stood at ₹1,241.72 Crores as compared to ₹ 1,029.47 Crores in last F.Y. The net profit of the Company in 2018-19 stood at ₹ 16.20 Crores. On an operational front we experienced a volume growth of around 23% from our existing plants and the ones which were established in recent years. We expanded our product portfolio, capacity, presence, and customer base. We have started the production of PPCP Granules from our Plant situated in Chittoor, Andhra Pradesh. Further the company has increased the capacities of the existing plants situated in Phagi and Chittoor and obtained ILA (International Lead Association) approval for our Phagi Plant, Jaipur.

Moving ahead, we will focus on increasing our margins and profitability by enhancing our value-added products segment. The company has plans to establish some more scrap collection yards in Nicaragua to have deep routed procurement network which will result in increased volumes of local scrap at cheaper prices. Also the company is increasing its customer base to have better sales realization for its plastic products.

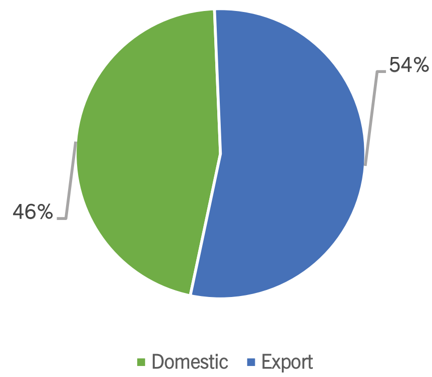
The Company is in the process of shifting its existing Gandhidham facility to Mundra. This will save the logistics cost as Mundra facility is much closer to the port than Gandhidham facility and company will also save the lease rentals which are being paid for Gandhidham facility. Furthermore, the above expansions will increase the share of business from overseas market which will result in higher margins.

As Gravita touches new heights, I would like to express my wholehearted gratitude towards all stakeholders, right from our esteemed shareholders, the communities we engage with, consumers we do business with, regulators, the Government, employees and each and every individual involved in our journey so far for their continued trust in the company. I look forward for reinvigorated confidence and support for years to come as Gravita embarks upon next phase of growth.

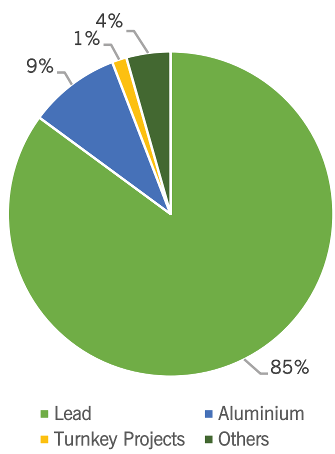
Warm Regards

Dr. Mahavir Prasad Agarwal
Chairman & Whole-Time Director
DIN:00188179

REVENUE MIX



REVENUE BY PRODUCTS



{21% GROWTH IN REVENUE}

Corporate Social Responsibility

At Gravita CSR activities are as important and critical as business processes. Gravita Group, through its CSR initiatives, has been involved in making holistic and meaningful contribution to the society. Along with business values, it is the company's vision of maintaining environmental integrity which has enabled us to extend these CSR initiatives beyond our core business objectives & practices. Our CSR policy encompasses initiatives to conserve, sustain and renew our environment to encourage a self-sustainable system.

Gravita has made an expenditure of ₹ 18.82 Lacs during the year for undertaking CSR Activities mentioned as under:

Health
Regular Medical Check-ups
Free Medicines
Blood Donation Camps
Check-up Camps for Children in Rural Area
Free distribution of food

Education
Promoting Education including contribution towards improving infrastructure and providing essential facilities in schools at phagi & chittoor such as distribution of free books, stationary, bags, drinking water bottles and sports kit and installation of water coolers.

Environment
Ensuring Environment Sustainability by planting trees on road sides and near to the vicinity of plants along with Awareness to the society about cleanliness of Environment

Management Discussion & Analysis

Global Economy Overview

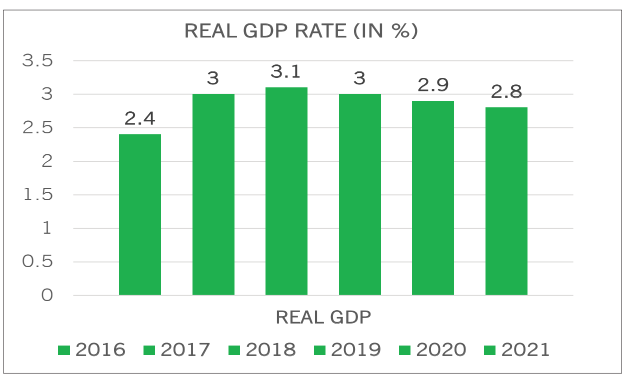
Global Economy started from 2018 with synchronized growth and is expected to remain at 3 percent in 2019, whereas, the constant pace of expansion in the global economy masks an increase in downside risks that could potentially exacerbate development challenges in many parts of the world, according to the World Economic Situation and Prospects 2019. These risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks.

One major risk in the coming years is the sharp drop-off in the world trade growth, which fell from over 5% at the beginning of 2018 to nearly zero at the end. These risk points to the increasing vulnerability of the global economy to further shocks, and the rising probability of a recession in the next couple of years.

Emerging markets is an indispensable factor to the global economy in next several years. Emerging markets are certainly catching up with the progress of the developed economies and according to many analysts they will catch up to many developed economies by 2020. This of course will cause a significant shift in the balance of power across the global economy and will represent vast new opportunities for domestic and international businesses.

The main focus for improvement in global economy growth rate should now turn to policies that would be required to boost long term productivity and living standard, improvements in education and health system, high quality investment and improvement in business climate reforms which in turn can yield long term benefits and thus contribute in poverty reduction.

(Source: Department of economic and social affairs)



(Source- World bank)

Indian Economy Overview

Economic conditions of India are largely positive with GDP growth projected to remain robust in the near future. India is sixth largest economy in the world by overtaking UK, with a nominal GDP of USD 2.9 trillion. India's growth is forecasted at 7% in FY 2019.

Despite India's optimistic outlook and recent stock market Bull Run, the nation still faces deep-rooted, persistent challenges. Major economic challenges in India are the Population growth, which has grown 20% per decade and Deteriorating Infrastructure; India has struggled to improve its deteriorating infrastructure in business, education, and healthcare.

The improving macroeconomic fundamentals have further been supported by the implementation of reform measures, which has helped foster an environment to boost investments and ease banking sector concerns.

The trend toward urbanization, which is going to increase consumption power massively, as well as economic leverage is powering the growth.

Due to the sharp downfall in the world economy, India has experienced a decline in equity markets and depreciation of domestic currencies. Amid slowing global merchandise trade growth, India's exports are likely to register an all-time high of $330 billion in FY 2019.

Outlook:

According to WESA report, Strong domestic consumption and investment will continue to support growth, which is projected at 7.0 per cent in 2019 and 7.1 per cent in 2020.

Indian economy is taking a rapid growth y-o-y reaching 7.1 per cent and is proposed to grow to 7.5 per cent till 2020, as claimed by OECD. It has been forecasted that this growth will come from higher domestic demand, lower oil prices and rupee appreciation against dollar. It has been highlighted that holding the export growth, India has been emerging as the fastest growth among G20 economies.

Global Lead Industry

Global Lead market is expected to flourish at a CAGR of 6.8% during the forecast period. The global lead market size will grow by 4.51 million metric ton during 2018-2022.The ILZSG has released its report which forecasts a surplus in lead production, estimated to 71,000 tons in 2019.

Globally, demand of lead has been declined by 0.2% in 2018, but ought to jump at 11.87 million tons. According to the ILZSG, an increase in usage in India, Japan and the Republic of Korea will help offset an expected 1.1% decline in China's lead usage. Whereas, it has been observed that lead usage is expected to rise in the U.S by 1.1% and in Europe by 1.8%.

Whereas lead mine production has forecasted an increase by 1.8% in 2019, reaching approximately 4.75 million tons which has been possible because of a massive increase in lead mine production in China, Canada, Europe, India and South Africa. In addition, refined output from Australia is forecast to surge 14.3% in 2019.

Reports of ILZSG shows that in 2018 demand of lead exceeded its supply by 98kt in the global market. Whereas producers and consumers were decreased by 57kt according to London Metal Exchange (LME) and Shanghai Future Exchange (SHFE). Output of refined lead metal from secondary (recycled) raw material accounted for 62.5% of global output in 2018 compared to 61.8% in 2017. Overall global refined lead metal usage grew by a modest 0.2. In Europe, demand remained stable as rises in Austria, Italy and Poland were balanced by reductions in the Czech Republic and France.

Net imports of refined lead metal were 122kt in 2018 compared to 78kt in 2017, which saw a rise of 56.4%. Chinese imports of lead contained in lead concentrates fell by 1.3% in 2018 and amounted to 690kt which was 688kt in 2017. As per the report, Cash Settlement and Forward Three Month Prices on the LME both fell by 3.1% and averaged US$2245 and US$2254 respectively. The highest Cash Settlement Price of US$2545 was recorded in June 2018 and the lowest of US$1867 was recorded in October 2018. (Source: ILZSG)

As per the provisional data compiled by ILZSG the resources specify that in 2017 demand exceeded supply by 165kt in the global market for refined lead metal. Over the same period inventories reported by the London Metal Exchange (LME), Shanghai Future Exchange (SHFE) and producers and consumers decreased by 40kt totalling 473kt at the year end. (Source- ILZSG)

Lead Price:

Lead prices are influenced by the global economic conditions and the geopolitical conditions of the major producing countries & major utilizing countries. From a starting value of US$2,544 a tonne on January 1 to prices below US$2,000 towards the end of the year, lead lost 22.3 percent of its value in 2018. Analysts are predicting that 2019 will hold even lower prices for lead as supply deficits are plugged by existing stockpiles of the metal.

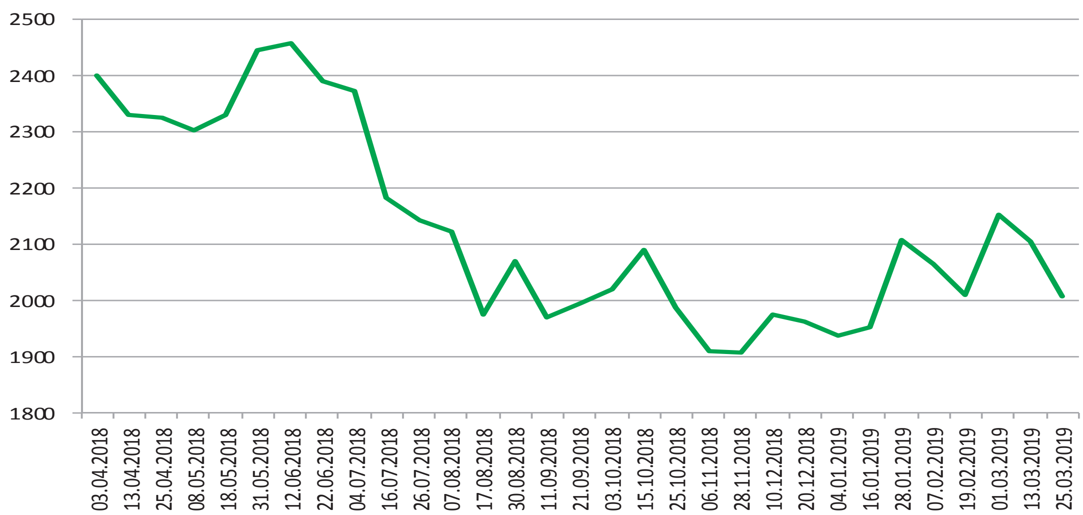
Lead prices have been decreasing after an increase at an increasing rate till February, 2019. As per the data, lead prices shows decrease every month. In April, 2019 lead prices were US$ 1,939, which has been fallen to 5.25% after February. Lead demand is expected to maintain a steady growth, despite the threat of EVs. Recycling provides around 60% of lead supply but the primary requirement will continue to grow. On the supply side the key price driver is the potential for primary supply to fill the gap between secondary production and consumption. (Source: Investing News)

(Source: ILZSG)

World Refined Lead Supply and usage 2014-2019 ('000 tonnes)

						2018	2019	2019			
	2014	2015	2016	2017	2018	Jan-Apr		Jan	Feb	Mar	Apr
Mine Production	4947	4850	4689	4713	4671	1534	1544	382.5	385.6	395.5	380.1
Metal Production	11026	10959	11169	11589	11642	3782	3870	976.8	952.9	970.5	970.1
Metal Usage	10998	10941	11141	11740	11726	3820	3909	994.5	952.1	966.2	995.9

LME LED Historical Price Graph



Outlook:

After declining by a marginal 0.2% in 2018, global demand for refined lead is anticipated to rise by 1.2% this year to 11.87 million tonnes. This will mainly be a consequence of increases in usage in India, Japan and the Republic of Korea that are expected to more than offset a reduction in China of 1.1%. Usage of lead metal in the United States is expected to grow by 1.1% and in Europe by 1.8%, influenced by rises in France and Italy. World lead mine production is forecast to rise by 1.8% to 4.75 million tonnes in 2019, principally due to expected increases in China and India. Output is also predicted to rise in Canada, Europe and South Africa. However, in Mexico, Peru and the United States lead concentrates supply is expected to be lower than in 2018. An anticipated increase in world refined lead metal output of 2.5% to 11.94 million tonnes in 2019 will be mainly influenced by further rises in China and India. Production is predicted to expand by 14.3% in Australia in 2019, by 3.6% in the Republic of Korea and by 2.9% in Europe, influenced by rises in Belgium and Italy. As per the research of ILZSG, they anticipate that global supply for refined lead metal will exceed demand by 71,000 tonnes in 2019. (Source-ILZSG).

Indian Lead Industry

India will lead the demand for lead for the next five years as sales of automobiles grow in the country, BMI Research said in a report.

Production of lead has increased by 30 percent as compared to past years. The lead industry in India has few players in primary segment. Tamil Nadu, Rajasthan, Andhra Pradesh and Uttar Pradesh produce almost the entire lead of India. Rajasthan was the sole producing state of lead and zinc ores and concentrates. There were 8 mines (all in private sector) reporting production of lead and zinc ore in the current year. India is all set to make a dent into export market.

Growth Drivers

Telecommunication Sector: India is currently the world's second-largest telecommunications market with a subscriber base of 1.20 billion and has registered strong growth in the past decade and half. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP). During the first quarter of 2018, India became the world's fastest-growing market for mobile applications. The country remained as the world's fastest growing market for Google Play downloads in the second and third quarter of 2018. Revenues from the telecom equipment sector are expected to grow to US$ 26.38 billion by 2020. The Indian Mobile Value-Added Services (MVAS) industry is expected to grow at a CAGR of 18.3 per cent during the forecast period 2015–2020 and reach US$ 23.8 billion by 2020. The telecom sector remains as one of the most promising end users for lead-acid battery use. The increasing requirement for telecom infrastructure is expected to significantly fuel up the demand for lead-acid battery in India, during the forecast period. (Source: IBEF)

Power Sector: Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power. All the states and union territories of India are on board to fulfill the Government of India's vision of ensuring 24x7 affordable and quality power for all by March 2019, as per the Ministry of Power and New & Renewable Energy, Government of India. These challenges which are proposed can be possible and achieved using lead-acid batteries. (Source: IBEF)

Automobile Sector: The Indian auto industry became the 4th largest in the world with sales increasing 9.5 per cent year-on-year to 4.02 million units (excluding two wheelers) in 2017. Automobile exports grew 15.54 per cent during April 2018-February 2019. It is expected to grow at a CAGR of 3.05 per cent during 2016-2026.

Domestic automobile production increased at 7.08 per cent CAGR between FY13-18 with 29.07 million vehicles manufactured in the country in FY18. During April 2018-January 2019, automobile production increased 9.84 per cent year-on-year to reach 26.26 million vehicle units. Indian automotive industry (including component manufacturing) is expected to reach Rs 16.16-18.18 trillion (US$ 251.4-282.8 billion) by 2026. Two-wheelers are expected to grow 9 per cent in 2018. Hence more the growth in the automobile sector will lead to an increase in Lead Acid Battery further opening more business opportunities for the Lead Acid Battery manufacturers. (Source: IBEF)

Outlook

Due to growth and developments of the downstream industries, improvement in standard of living and consumer demands, the demand for lead in the forthcoming years is likely to move further. The increasing penetration of mobile phones in urban and rural areas, after its successful acceptance in metro cities, has resulted in more demand for telecom towers in rural areas.

The massive investments of Government under the Solar Energy Missions would result in increased demand for storage of energy where lead batteries are the natural choice. Further, Telecom, Auto Sector and Energy storage sector would spur the demand for lead in the domestic economy in coming years.

In addition around 30-35% of Lead in India is produced in informal sector. The Government emphasis on environment compliances, implementation of GST and stringent norms for cash circulation will adversely affect the informal operations. The shift from informal sector to formal one will fetch an additional business opportunities.

(Source-LSI Research Report)

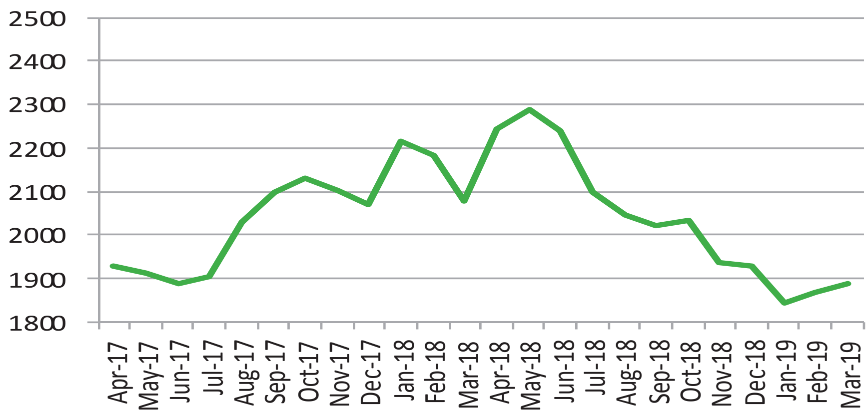
Global Aluminium Industry:

Aluminum is a versatile material integral to modern life. Aluminum is the 2nd most used metal in the world, generating nearly $71 billion a year in direct economic impact. Globally markets faced a deficit as demand for Aluminium exceeded supply. This has benefited India as Aluminium is oversupplied in the domestic markets. Deficit in global market was around 1.6 million tonnes in CY18.

Global Aluminium prices had risen in the start of the fiscal year because of the imposition of sanctions on United Co. Rusal (largest Aluminium producer outside of China) by the US government which had caused a rally amidst the fears of facing a shortage in the global markets. The US government had imposed sanctions on Rusal during April 18, post that the prices have been falling due to the tariff wars between China and the US. LME prices during Q3-FY19 remained muted and fell by 6.4% on account of moderation in Chinese demand and intensifying trade tension between US and China. On the other hand global Aluminium prices have risen by 4% during the 9MFY19 period. Fears of a global slowdown and appreciation of the US dollar were also responsible to drag the global Aluminium prices to a 2 year low. Prices of Aluminium in January 2019 were at its 2 year low.

(Source-Care Ratings Research Report)

Trend in price movements of Aluminium (USD/tonne)



Indian Aluminium Industry

Indian Aluminium Industry is a highly concentrated industry with the top 5 companies constituting the majority of the country's production. With the growing demand of Aluminium, the industry is also growing at an enviable pace.

India stands at the eight position in the list of leading primary Aluminium producers in the world.

Production of primary Aluminium has increased by 11.8% y-o-y during 9M-FY19 given better operational efficiencies due to stable operations and better capacity utilization. Production also increased on account of additions made to existing production capacity. Consumption of Aluminium has risen by 1.2% during 9M- FY19. Consumption of Aluminium has risen by 1.2% during 9M- FY19

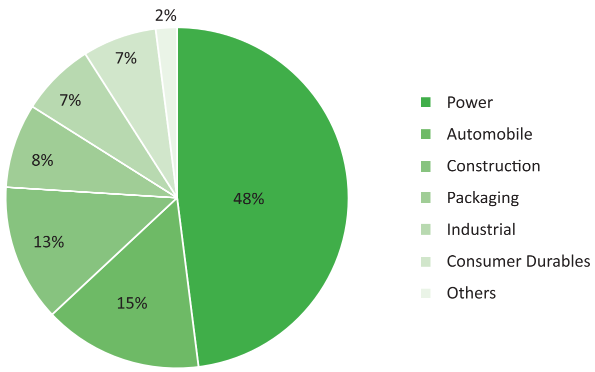
Aluminium production in India is tipped to double to 7.2 million tonne in the next five years from existing level of 3.6 million tonne, which makes it necessary to focus on downstream Aluminium products to tackle the threat of growing imports. (Source: Economics Times)

On the other hand, the demand for Recycled Aluminium is estimated to have grown at a relatively faster pace of approximately 10% CAGR during Fiscal 2013-2018 period reaching approximately 1.2 million tonnes by the end of Fiscal 2018, primarily led by healthy demand scenario for non-ferrous castings from auto sector. As a result, the share of Recycled Aluminium has gradually risen to an estimated approximately 32% in Fiscal 2018 from approximately 28% in Fiscal 2013. The growth in overall Aluminium demand was also supported by replacement of other non-ferrous or ferrous metals with Aluminium in key end-use industries in the domestic market owing to better technical properties such as optimum strength to weight ratio, low melting point, corrosion resistance, better electrical and thermal conductivity, better recyclability etc., amongst others.

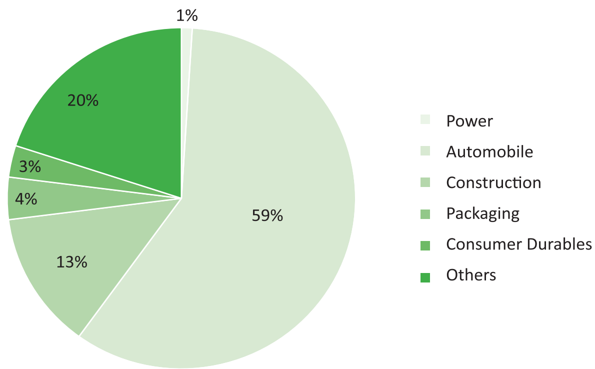
Over the next five year period (Fiscal 2018 – 2023), the overall Recycled Aluminium demand is expected to continue its healthy growth trajectory and witness a CAGR of approximately 8.5-9.5%, thereby reaching approximately 1.7-1.9 million tonnes by Fiscal 2023. The growth in Recycled Aluminium demand will continue to outpace primary Aluminium demand growth, largely on account of anticipated healthy volumes in key end-use industries as well as increased intensity of Recycled Aluminium in a few applications. As a result, the share of Recycled Aluminium is expected to steadily increase and reach approximately 33-34% of the total Aluminium demand in India, from an estimated approximately 32% in Fiscal 2018.

In India, Aluminium scrap recycling is limited to unorganized sectors, meeting demand of utensil and casting industries. The use of Recycled Aluminium has been growing over the years. It is expected that Secondary Aluminium sector to contribution around 35-40% of total Aluminium consumption in coming years. India's demand for Secondary Aluminium is anticipated to surge by 8-10% per annum mainly boosted by automotive sector followed by household consumption. (Source- FICCI).

End use of Primary Aluminium

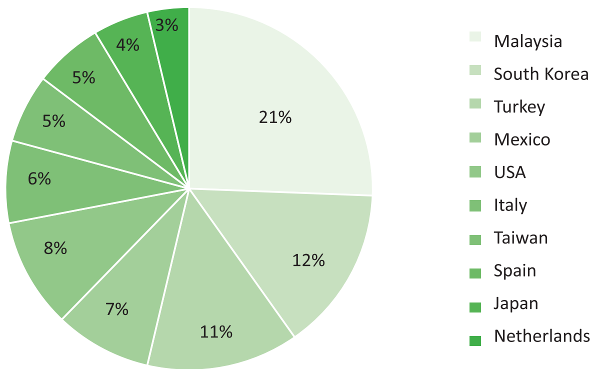


End use of Secondary Aluminium



Export of Aluminium from India

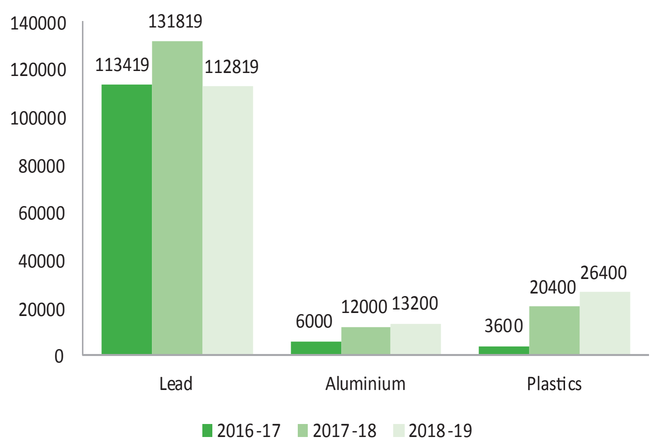
(Source-Care Ratings Research Report)



Company Overview:

Gravita India Limited (GIL) is one of the leading recyclers in India, established in 1992 at Jaipur, which has been recognized as "Three Star Export House" in February 2019. GIL works towards its motive of being a value driven organization. Its business is divided into three integrated business verticals namely, Manufacturing, International Trade and Turnkey Projects. The company is engaged in manufacturing of Lead and its base products such as Pure Lead, Lead Alloys, Lead Powder and Oxides. It is also engaged in processing Aluminium Scrap to Aluminium Ingots/Alloys and manufacturing of Recycled Polypropylene Granules, PPCP Granules and PET Flakes across 9 countries in 3 continents. The installed capacity of GIL in 2018-19 was 112,819 MTPA of Lead, 13,200 MTPA of Aluminium and 26,400 MTPA of Plastic as compared to 131,819 MTPA of Lead, 12,000 MTPA of Aluminium and 14,400 MTPA of Plastic in 2017-18 and is expected to increase in coming financial year.

Production Capacity (in MT)



Strengths

Highly Equipped R&D Laboratories

Gravita has highly equipped R&D laboratories and technical competence in production of lead and lead products. The company's laboratory is equipped with latest technology analyzing equipment such as Optical Emission Spectrometer and Atomic Absorption Spectrometer to meet its customer's need.

High Quality Products

Production process of the company is controlled by experienced chemist and Q.C. supervisors to monitor the products. Gravita believes in providing top quality products to its customers. It follows strict quality control measures right from acquisition of raw material to delivery of goods to its valued customers.

Cost efficient pricing

Company's global presence gives it access to available input at a reasonable rate. It acquires raw material, efficient labour and logistic at cheaper price, giving it cost advantage over its competitors.

Low gearing ratio

Gravita has a low gearing ratio of 1.26 i.e. it has low long term debt and financial leverage, assuring the investors of high return on their investment.

Financial Overview

The key highlights of Financial Performance of the company are as under:

Net Revenue from Operations

GIL's revenue from operations increased by 21% from ₹102,947.90 Lacs in 2017-18 to ₹124,172.83 lacs in 2018-19.

Net worth

Net worth of the company as at 31st March 2019 stood at ₹19,932.08 Lacs as compared to ₹18,968.02 Lacs as at 31st March 2018.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)

During the year under review, EBITDA stood at ₹5,870.90 Lacs against ₹8,869.59 Lacs in 2017-18

Profit and profitability

During the year under review, Profit before tax stood at ₹2,958.05 Lacs and Profit After Tax stood at ₹1,620.22 Lacs

Human Capital

Gravita gives more emphasis towards it human resource. They believe that the company revolves around its human capital. The company not only hires employees, but also give them proper training and development so that they can provide meaningful inputs towards accomplishment of companies goals. Gravita employs more than 1,750 employees. Along with work, employees at Gravita are provided with different welfare and entertainment facility so that they feel like home and are motivated to work. In order to boost the morale of the employees, company believes in creating an atmosphere where excellence doesn't go unrewarded.

Key Financial Ratios:

S.No	Particulars	2018-19	2017-18	% Change	Details of significant changes, if any
1	Debtors Turnover Ratio	12.87	9.10	41%	Due to faster realization of sale proceeds
2	Inventory Turnover Ratio	6.80	6.50	5%	
3	Interest Coverage Ratio	2.27	5.38	(58)%	Due to increase in debt, the interest coverage ratio decreased significantly
4	Current Ratio	1.10	1.24	(11)%	
5	Debt Equity Ratio	1.26	1.23	(2)%	
6	Operating Profit Margin (%)	4.73%	8.62%	(45)%	The decrease in operating profit margin is due to decrease in metal prices
7	Net Profit Margin (%)	1.30%	4.39%	(70)%	The decrease in net profit margin is due to decrease in metal prices
8	Return on Networth (%)	8.33%	26.61%	(69)%	Due to decrease in profitability

Directors' Report

To
The Members of
Gravita India Lmited

We are delighted to present on behalf of Board of Directors of the Company, the 27th Annual Report of the Company along with Audited Financial Statements (Consolidated & Standalone) for the year ended 31st March, 2019.

CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Amount (₹ in Lacs)	
	2018-19	**2017-18**
Total Revenue	1,24,172.83	1,02,947.90
Operational Expenditure	1,18,301.93	94,078.49
Profit Before Interest, Depreciation and Tax (EBIDTA)	**5,870.90**	**8,869.49**
Add: Other Income	544.99	158.79
Less: Interest	2,299.99	1,740.36
Less: Depreciation	1,156.49	869.01
Profit Before Tax	**2,959.41**	**6,418.91**
Profit from Ordinary Activities Before Tax	2,959.41	6,418.91
Less: Provisions for Taxation Including Deferred Tax	1,019.12	1,655.04
Profit After Tax Before Non-Controlling Interest	**1,940.29**	**4,763.87**
Add: Other Comprehensive Income	56.61	107.52
Add: Share in Profit of Associates	(1.36)	0.10
Less: Minority Share in Profit & Loss	375.32	350.33
Profit Available for Appropriation	**1,620.22**	**4,521.16**
APPROPRIATION:		
Final Dividend 2016-17	-	412.23
Final Dividend 2017-18	481.24	-
Corporate Tax on Dividend	98.94	83.92
Balance Carried to Balance Sheet	**1,040.04**	**4,025.01**

1. State of Company's Affairs

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships as per the Central Statistics Organisation (CSO). During F.Y. 2018-19 the International Commodity Market has seen downward trend which was largely due to slow down in Chinese Market. Commodity prices in the third quarter of 2018 were buffeted by geopolitical and macroeconomic events. Inventories have also fallen to the lowest level in nearly 10 years. Lead prices were projected to gradually increase in the coming financial years but remained 11.6 percent lower than in 2017-18. More stringent environmental regulations in China restricting the recycling of Lead scrap materials, which accounts for more than two-fifths of total refined production, presents an upside risk to the forecast. Over the medium term, a shift toward electric vehicles is likely to depress demand for lead, which is heavily used in batteries for internal combustion engine vehicles but not in electric vehicles. The International Lead prices have seen levels of below $ 1,966 and average of $ 2,120 during the period. The industry was also affected by currency fluctuations, sluggish demand, consumer down trend and continued to be fraught with challenges. Infrastructure spending and strong automotive sales globally are likely to boost the demand of Lead in coming financial years. Infrastructure and automobile industries are the main demand drivers for Lead in India. We have been consistently increasing our production capabilities to make Gravita self-sufficient. Despite of all odds and unfavorable market conditions, the Company performed rationally well and the highlights of the performance are as under:

Consolidated Results:

- **Consolidated Total Revenue** stood at ₹1,241.73 crores
- **Operating Profit before Interest, Depreciation and Tax** stood at ₹58.71 crores in financial year 2018-19 as compared to ₹88.70 crores in previous year.
- **Net Profit after Tax and Minority Interest** during the year stood at ₹16.20 crores.
- **Earnings Per Share** of the Company stood at ₹2.26 per share having face value of ₹2 each.

Standalone Results:

- **Total Revenue** stood at ₹1,059.35 crores as compared to ₹796.57 crores in the previous year.
- **Operating Profit before Interest, Depreciation and Tax** stood at ₹39.62 crores in financial year 2018-19 as compared to ₹55.80 crores in previous year.
- **Net Profit after Tax** during the year is reported at ₹18.95 crores.
- **Earnings Per Share** of the Company stood at ₹2.76 per share having face value of ₹2 each.

2. Dividend

The Board of Directors of your Company has recommended payment of final dividend @ 15% (₹0.30 per equity share) amounting to ₹207.11 Lacs. The dividend will be paid to members whose names appear in the Register of Members as at the close of business hours of Thursday, 12th September, 2019 and in respect of shares held in dematerialized form it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date. Further, Company has not transferred any amount to General Reserve.

3. Performance of Subsidiaries/ Associates Companies and Firms

a. **Gravita Mozambique LDA, Mozambique:** Gravita Mozambique LDA is a step down subsidiary of Gravita India Limited and is engaged in the business of Manufacture of Re-melted Lead & PP Chips and Trading of Aluminium Scrap. During the year under review this subsidiary has produced 3,422 MT of Re-melted Lead Ingots and has done trading of 2,833 MT of Aluminium Scrap. This subsidiary achieved turnover of ₹70.23 crores and reported Net profit of ₹6.36 crores during the year.

b. **Gravita Senegal SAU, Senegal:** Gravita Senegal SAU is a step down subsidiary of Gravita India Limited. The subsidiary is engaged in recycling of Lead Acid battery Scrap for producing Re-melted Lead Ingots, PP Chips etc. During the year under review this plant produced 3,693 MT of Re-melted Lead Ingots and achieved a turnover of ₹53.16 crores coupled with Net profit of ₹6.86 crores.

c. **Navam Lanka Ltd, Srilanka:** Navam Lanka Limited is a step down subsidiary of Gravita India Limited operating in Sri Lanka for more than a decade. It is the largest producer of Refined Lead Ingots and PP Chips in Sri Lanka. This subsidiary is engaged in Recycling of Lead Acid Battery Scrap for producing Refined Lead Ingots. During the year under review this subsidiary produced 3,673 MT of Refined Lead Ingots and Re-melted Lead Ingots and achieved a Total turnover of ₹59.32 crores coupled with Net Profit after Tax of ₹7.82 crores.

d. **Gravita Ghana Limited, Ghana:** Gravita Ghana Limited is a wholly-owned subsidiary of the Company. The subsidiary is engaged in recycling and trading of Lead Acid Battery Scrap for producing Re-melted Lead Ingots, PP Chips etc. During the year under review this plant delivered revenue of ₹73.81 crores and incurred a Net Loss of ₹1.58 crores.

e. **Gravita Nicaragua S.A., Nicaragua:** Gravita Nicaragua S.A. is a step down subsidiary of the Company. This subsidiary is engaged in recycling of PET waste and Trading of Battery Scrap. During the year under review the production of this subsidiary stood at 4,734 MT. Additionally the subsidiary has done trading of 1,400 MT of Battery Scrap. This subsidiary achieved turnover of ₹27.76 crores coupled with Net Loss of ₹0.87 crores.

f. **M/s Gravita Metal Inc, India:** Gravita India Limited along with its wholly owned subsidiary Gravita Infotech Limited (formerly known as Gravita Exim Limited) holds 100% share in this partnership firm. This firm is engaged in Manufacturing of Lead Ingots and all kind of Specific Lead Alloys. During the year under review the unit produced 4,467 MT of Lead Ingots & Alloys and achieved a turnover of ₹78.29 crores coupled with Net Profit of ₹2.14 crores.

g. **Gravita USA Inc, USA:** Gravita USA Inc. is a step down subsidiary of the Company. This subsidiary is engaged in trading of Re-melted Lead Ingots and Plastic Scrap. During the year under review subsidiary achieved turnover of ₹49.52 crores coupled with net profit of ₹0.35 crores.

h. **Gravita Jamaica Limited, Jamaica:** Gravita Jamaica Limited is a step down subsidiary of the Company. This subsidiary is engaged in recycling of PET waste. During the year under review subsidiary produced 928 MT of PET and achieved turnover of ₹3.76 crores coupled with net loss of ₹2.02 crores.

i. **Gravita Netherlands B.V., Netherlands:** Gravita Netherlands B.V. is a step down subsidiary of Gravita India Limited. During the year under review this subsidiary achieved Profit of ₹7.21 crores.

j. **Gravita Global Pte. Ltd, Singapore:** Gravita Global Pte. Ltd is a wholly owned subsidiary of the Company and is based at Singapore which is engaged in the trading business. During the year under review the Company has been able to achieve a turnover of ₹0.18 crores resulting in a Net Profit of ₹0.05 Crores.

k. **Gravita Infotech Limited (formerly known as Gravita Exim Limited), India:** Gravita Infotech Limited is a wholly-owned subsidiary of the Company. In this current financial year company generated revenue of ₹0.08 crores resulting in Net Loss of ₹0.16 crores.

l. **M/s Gravita Metals, India:** Gravita India Limited along with its wholly owned subsidiary Gravita Infotech Limited (formerly known as Gravita Exim Limited) holds 100% share in this partnership firm. The firm generated revenue of ₹1.16 crores resulting in Net Loss of ₹0.59 crores.

m. **M/s Gravita Infotech, India:** Gravita India Limited together with its subsidiary holds 100% share in this firm. This firm is engaged in business of Information Technology. During the year under review the firm incurred Net Loss of ₹0.91 Lacs.

n. **M/s Recycling Infotech LLP, India:** Gravita India Limited together with its subsidiary holds 100% stake in this LLP. Recycling Infotech LLP is engaged in business related to E-Marketing database collection etc. The LLP achieved revenue of ₹0.44 Lacs with net profit of ₹0.21 Lacs.

o. **Gravita Ventures Limited, Tanzania:** Gravita Ventures Limited is a step down subsidiary of the Company. This subsidiary is engaged in trading of aluminum scrap. During the year under review subsidiary achieved turnover of ₹7.30 crores coupled with net profit of ₹0.04 crores.

p. **Recyclers Gravita Costa Rica SA, Costa Rica:** Recyclers Gravita Costa Rica SA is a step down subsidiary of the Company. This subsidiary is engaged in trading of PET waste. During the year under review subsidiary achieved turnover of ₹7.79 crores coupled with net loss of ₹1.71 crores.

q. **Met Mauritania Recycling SARL, Mauritania:** Met Mauritania Recycling SARL formerly known as Gravita Mauritania SARL is a step down subsidiary of the Company. This subsidiary is engaged in trading of Lead Acid Batteries. During the year under review subsidiary achieved turnover of ₹3.07 crores coupled with net loss of ₹0.61 crores.

r. **Mozambique Recyclers LDA, Mozambique :** Mozambique Recyclers LDA is a step down subsidiary of the Company. This subsidiary is engaged in Manufacturing and Recycling of Aluminium. During the year under review subsidiary achieved turnover of ₹0.80 crores coupled with net loss of ₹0.19 crores.

s. Pearl Landcon Private Limited, India: Pearl Landcon Private Limited is a step down associate company in which Gravita Infotech Limited holds 25% shareholding. This associate company is engaged in business of Real Estate. During the year under review subsidiary achieved turnover of ₹0.81 Lacs coupled with net loss of ₹ 5.33 Lacs.

t. Other Subsidiaries

The Company has some other Subsidiaries/Step Subsidiaries which are under process of implementation of projects/ commercial production. The details of the same are given below:

- Noble Build Estate Private Limited, India
- Recyclers Ghana Limited, Ghana
- Gravita Mali SA, Mali
- Gravita Cameroon Limited, Cameroon
- Gravita Dominican SAS, Dominican Republic
- Gravita Tanzania Limited, Tanzania
- Gravita Peru SAC

4. Disclosures under Companies Act, 2013

a. Extract of Annual Return: The extract of the Annual Return of the Company as on 31st March, 2019 is set out in **Annexure-1** to this report. Further the return referred in section 92(3) of the act read with Company's (Management and Administration) Rules, 2014, is available on the website of the Company at **https://www.gravitaindia.com/investors** .

b. Material Subsidiaries: The Company has in accordance with the amendments to Listing Regulations revised the Policy for determining material subsidiaries. The said policy may be accessed on the website of the Company at **http://www.gravitaindia.com/wp-content/uploads/pdf/material-subsidiaries-policy.pdf**. There are below mentioned subsidiaries of the company which fall under the criteria of material subsidiary:

- Gravita Netherlands BV
- Gravita Mozambique LDA

c. Number of Board Meetings: During the year under review the Board of Directors of the company met 8 (Eight) times. The details of the Board Meetings and the attendance of the Directors are provided in Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

d. Committees of the Board: Details of all the Committees including Audit Committee of Board of Directors along with their terms of reference, composition and meetings held during the year, is provided in the Corporate Governance Report, and forms integral part of this report.

e. Directors' Responsibility Statement: Pursuant to Section 134 of the Companies Act, 2013, with respect to the Director's responsibility Statement, the Directors hereby confirm that:

(i). In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;

(ii). They have selected such Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit and loss of the company for that period;

(iii). To the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv). They have prepared the Annual Accounts on a Going Concern basis;

(v). They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi). There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

f. Declaration by Independent Directors and Statement on compliance of Code of Conduct: The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Independent Directors have also confirmed that they have complied with the Company's code of conduct prescribed in Schedule IV to the Companies Act, 2013.

g. **Vigil Mechanism / Whistle Blower Policy:** The Company is having an established and effective mechanism called the Vigil Mechanism. The mechanism under the Whistle Blower Policy of the company has been appropriately communicated within the organization. The purpose of this Policy is to provide a framework to promote responsible whistle blowing by employees. It protects employees wishing to raise a concern about serious irregularities, unethical behavior, actual or suspected fraud within the Company.

h. **Familiarisation Programme for Independent Directors:** The Company has Familiarization Program for Independent Directors to familiarize them with regard to their roles, rights, responsibilities in the Company, along with industry, business operations, business model, code of conduct and policies of the Company etc. The Familiarization Program has been disclosed on the website of the Company. The company's policy on familiarization programme is available on following web link: **http://www.gravitaindia.com/wp-content/uploads/pdf/familarization-policy.pdf**. The Company conducts an introductory familiarization programme when a new Independent Director joins the Board of the Company. New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Company's Code of Conduct for Prevention of Insider Trading to let them have an insight of the Company's present status and their regulatory requirements. The induction comprises a detailed overview of the business verticals of the Company and meetings with business heads / senior leadership team, and with the Managing Director of the Company. Apart from this the company also conducts various familiarization programmes as and when required. The detail of such programmes conducted is available on following web link: **https://www.gravitaindia.com/wp-content/uploads/pdf/familiarization-programme.pdf.**

i. **Nomination and Remuneration Policy:** The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, are formulated by the Nomination and Remuneration Committee. The policy of the Company on Director's appointment and remuneration is uploaded on to the Company's website and the same is available following web link: **https://www.gravitaindia.com/wp-content/uploads/pdf/nomination-remuneration-policy.pdf**

j. **Board Evaluation:** Pursuant to the provisions of the Companies Act , 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the Board carried out annual evaluation of its own performance, performance of its Committees, and evaluation of individual directors including independent directors. The Independent Directors carried out an annual performance evaluation of non-independent Directors, the Board as a Whole and Chairperson of the Company. Nomination and Remuneration Committee of the Board of Director evaluated the performance of every director. The performance is evaluated on the basis of number of Board and Committee meetings attended by individual director, participation of director in the affairs of the company, duties performed by each director, targets achieved by company during the year. The Board founded the evaluation satisfactory and no observations were raised during the said evaluation in current year as well as in previous year.

k. **Internal Financial Controls:** The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

l. **Related Party Transactions:** All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The company has not entered into any contract, arrangement and transaction with related parties which could be considered material in accordance with the policy of the company on Related Party Transactions. Details with respect to transactions with related parties entered into by the company during the year under review are disclosed in the accompanying financial results. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed on a quarterly basis. The policy on Related Party Transactions as approved by the Board is available on the Company's website.

m. Corporate Social Responsibility (CSR): The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The Company has developed and implemented the CSR Policy accordingly. The Company undertakes its CSR initiatives as per the activities covered in the CSR Policy of the Company. The details about Committee composition and terms of reference of Committee are given in Corporate Governance Report and forms integral part of this report. A CSR Report on activities undertaken by the company and amount spent on them is attached as **Annexure-2**.

n. Risk Management Policy: The Company has developed and implemented a very comprehensive risk management policy under which all key risks and mitigation plans are compiled into a Risk Matrix. The same is reviewed quarterly by senior management and periodically also by the Board of Directors. The Risk Matrix contains the Company's assessment of impact and probability of each significant risk and mitigation steps taken or planned. For a detailed risk management policy please refer the website link **http://www.gravitaindia.com/wp-content/uploads/pdf/risk-management-policy.pdf**.

o. Material Changes and Commitments, if any Affecting Financial Position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: No material changes and commitments have occurred after the closure of the Financial Year till the date of this Report, which affect the financial position of the Company.

5. Corporate Governance

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms an integral part of this Annual Report.

6. Statutory Auditor and Auditor's Report

The Company's Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants having Firm Registration No. 015125N, who were appointed with your approval at the 22nd AGM held on 02nd August, 2014 for a period of five years, will complete their present term on conclusion of the ensuing 27th AGM of the Company.

The Board, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s Walter Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 0010676N) as the Statutory Auditors of the Company for a period of five years from the conclusion of the ensuing 27th AGM till the conclusion of the 32nd AGM in place of retiring auditors.

Further, M/s Walter Chandiok & Co LLP, Chartered Accountants has confirmed their consent/willingness and eligibility under the provision of the Companies Act, 2013 read-with Rules made thereunder (the Act). They have also confirmed that they meet the criteria for appointment specified in Section 141 of the Act and all other applicable provisions of the Act. Further, the Company has also received a copy of Peer Review Certificate as prescribed by the Institute of Chartered Accountant of India to said Auditors and declaration from the Auditors that they are not disqualified for such appointment/reappointment under the said Act.

Further, there are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

7. Cost Auditor and Cost Audit Report

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act, and accordingly such accounts and records are made and maintained in the prescribed manner.

The Board of Directors of the Company, on the recommendations made by the Audit Committee, has appointed M/s K.G. Goyal & Associates, Cost Accountants having firm registration no. 000024 as Cost Auditors for conducting the audit of Cost Records maintained by the company for the Financial Year 2019-20.

The remuneration proposed to be paid to the Cost Auditor, subject to ratification by the members of the Company at the ensuing 27th AGM, would not exceed ₹ 55,000 excluding taxes and out of pocket expenses, if any. The Company has received consent from M/s K.G. Goyal & Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2019-20 along with a certificate confirming their independence and arm's length relationship.

The Cost Audit Report for the F.Y. 2017-18 was filed with Registrar of Companies (Central Government) on 24th September, 2018 while the due date for filing of Cost Audit Report for F.Y. 2017-18 was 27th September, 2018. There are no qualifications or adverse remarks in the Cost Audit Report which require any clarification/explanation.

8. Particulars of Loans given, Investments made, Guarantees given and Securities provided [Reference Section 134 and 186(4)]

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided herein below:

S. No.	Name of Person / Body Corporate	Nature (Loan / Guarantee/ Security / Acquisition)	Particulars of Loan given / Investment made or Guarantee made	Purpose for which the loan or guarantee or security is proposed to be utilized by the recipient
1	Gravita Employee Welfare Trust	Loan	Loan of ₹1.39 Crores at an interest rate of 10.00% per annum	For the purpose of implementing Gravita Stock Appreciation Right Scheme 2017 by acquiring equity shares of the company from secondary market.
2	Gravita Netherlands BV	Corporate Guarantee	For securing SBLC amounting to ₹31.50 Crores granted to Gravita Netherlands BV	For business purposes of Gravita Netherlands BV

9. Secretarial Auditor and Secretarial Audit Report

The Board has appointed M/s P. Pincha & Associates, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit of the Company under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended 31st March, 2019 is set out in the **Annexure-3** to this report.

The report does not contain any qualification, reservation or adverse remark except on compliance related to Section 135 of Companies Act, 2013 for which clarification has been given in **Annexure-2** attached to this report.

10. Insider Trading Prevention Code

Pursuant to the SEBI Insider Trading Code, the company has formulated a comprehensive policy for prohibition of Insider Trading in equity shares of Gravita India Limited to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. The Company Secretary has been designated as the Compliance Officer. It has also been posted on the website of the Company **https://www.gravitaindia.com/investors/insider-trading-code**.

11. Energy Conservation

A detailed statement on Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014, forms part of this Report as **Annexure-4**.

12. Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the top ten employees and of employees drawing remuneration in excess of the limits set out in the said rules are provided as **Annexure-5**.Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as **Annexure-6**.

Further, In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of employees and other particulars of the top ten employees as provided in the said rules are set out in the Board's Report as an addendun thereto. However, in terms of provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is avaliable for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

13. Appointment/ Resignation of KMP's/ Director

Mr. Rajat Agrawal, Managing Director (DIN:00855284) shall be liable for retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment and none of the Director is disqualified under Section 164 of the Companies Act, 2013 and rules made thereunder, for the reporting period.

Mr. Yogesh Mohan Kharbanda (DIN: 02733082), Independent Director of the company resigned from his post w.e.f 01st April, 2018 due to his pre-occupancy and Mr.

Hemant Kaul (DIN: 00551588) Independent Director of the company who was appointed as Independent Director of the company w.e.f 01st April, 2018 has resigned from his post w.e.f 12th July, 2018 due to his pre-occupancy.

Further Mr. Yogesh Malhotra (DIN: 05332393) has been appointed as Whole-time Director of the company w.e.f 31st March, 2019 subject to approval by the Members in the ensuing Annual General Meeting.

In addition to above, the 5 years tenure of Mrs. Chanchal Chadha Phadnis (DIN: 07133840) Independent Director of the company is about to expire on 23rd March, 2020. Therefore, she will be appointed for a second term of 5 years as an Independent Director of the company w.e.f 24th March, 2020 subject to approval by the Members in the ensuing Annual General Meeting.

The above appointments and resignations are recommended by Nomination & Remuneration Committee and the same was approved by the Board of Directors.

14. Consolidated Financial Statements and Cash Flow Statement

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2018-19, together with the Auditors' Report form part of this Annual Report.

15. Subsidiaries and Associates

The Company has prepared Consolidated Financial Statements in accordance with Section 129 (3) of the Companies Act, 2013 which forms part of the Annual Report. Further, the report on the performance and financial position of each of the subsidiary, associate and joint venture and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report **Annexure-7**. During the year under review, one new step down subsidiaries has been incorporated viz. and Gravita Peru SAC, Peru.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company are available on our website https://www.gravitaindia.com/investors/annual-report-of-subsidiaries.

16. Employees' Stock Option Scheme/ Stock Appreciation Right Scheme

In terms of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, inter alia, administers and monitors the Gravita Employee Stock Option Plan 2011 and Gravita Stock Appreciation Rights Scheme 2017 of your Company. The Compensation Committee, at its meeting held on 26th April, 2018 granted 42,100 stock options under Gravita Employee Stock Option Plan 2011 to the eligible employees at an exercise option price of ₹ 2/- per option. Further, Compensation Committee, at its meeting held on 31st March, 2019 granted 70,400 Stock Appreciation Rights to the employees of the company and its subsidiaries under Gravita Stock Appreciation rights Scheme 2017. In addition, Gravita Employee Welfare Trust has purchased 1,29,600 Equity Shares from Secondary Market. A certificate from the Statutory Auditor on the implementation of your Company's Employees Stock Option Scheme will be placed at the ensuing Annual General Meeting for inspection by the Members. Further disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, read with SEBI circular dated 16th June, 2015 for the financial year ended 31st March, 2019 are available on website of the company **www.gravitaindia.com**.

17. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR), Regulations, 2015 is presented in a separate section forming part of this Annual Report.

18. Deposit

The Company has not accepted any Deposits from public, shareholders or employees mentioned under section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the reporting period.

19. Statement on compliances of applicable Secretarial Standards

In requirement of Para 9 of revised Secretarial Standards on Board Meeting i.e. SS-1 your Directors states that they have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

20. Share Capital

The Company has made allotment of 42,100 Equity Shares of ₹2/- each to the Employees of the Company and its subsidiaries upon exercise of an equal number of stock options granted to them pursuant to the Stock Option Scheme of the Company. Consequently, the issued, subscribed and paid-up equity share capital of the Company has increased from 6, 87, 04,614 equity shares of ₹2/- each as at March 31, 2018 to 6, 87,46,714 equity shares of ₹2/- each as at March 31, 2019.

21. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and the Rules made there under. Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has formed an "Internal Complaints Committee" for prevention and redressal of sexual harassment at workplace. The Committee is having requisite members and is chaired by a senior woman member of the organization. Further, the Company has not received any complaint of sexual harassment during the financial year 2018-19.

22. Investor Education and Protection Fund (IEPF)

Pursuant to Section 125 of Companies Act, 2013 (corresponding to Section 205C of Companies Act, 1956) read-with rules made thereunder all unpaid application money received by companies for allotment of any securities and due for refund for seven year has to be transferred to Investor Education and Protection fund maintained by Central Government. Accordingly the company has transferred a sum of ₹20,539/- during the year to the said Fund on account of unpaid dividend amount. Further during the year under review the company has transferred 235 Equity shares to IEPF suspense account relating to the investors who have not claimed any dividend from last 7 years. The detail of the investors whose amount and shares are transferred is available on website of the company **https://www.gravitaindia.com/investors/iepf-details**.

23. Remuneration from Subsidiary

Mr. Rajat Agrawal, Managing Director of the Company received remuneration from Gravita USA Inc., a Step Down Subsidiary of the Company. Apart from this neither the Managing Director nor the Whole Time Director received any remuneration from any Subsidiary.

24. Miscellaneous:

Your Directors state that as there were no transactions during the year under review therefore no disclosure or reporting is required in respect of the following items:

- Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP's referred to in this report.
- Details relating to significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- Details relating to provisions of section 134 (3) (ca) of Companies Act, 2013.
- Details related to change in nature of business of the company

25. Acknowledgement

The Directors wish to place on record their appreciation for the co-operation and support received from the Banks, Government Authorities, Customers, Suppliers, BSE, NSE, CDSL, NSDL, Business Associates, Shareholders, Auditors, Financial Institutions and other individuals/ bodies for their continued co-operation and support. The Directors also acknowledge the hard work, dedication and commitment of the employees. Their enthusiasm and unstinting efforts have enabled the Company to emerge stronger than ever, enabling it to maintain its position as one of the leading players in the recycling industry, in India and around the world.

For and on behalf of the Board

Date: 14th August, 2019	**(Rajat Agrawal)**	**(Dr. Mahavir Prasad Agarwal)**
Place: Jaipur	Managing Director	Whole-time Director
	DIN: 00855284	DIN: 00188179

Annexures to the Director's Report

Annexure-1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. Registration and Other Details:

1.	CIN	L29308RJ1992PLC006870
2.	Registration Date	04th August 1992
3.	Name of the Company	Gravita India Limited
4.	Category/Sub-Category	Public Company Limited by Shares (Non Govt. Company)
5.	Address of the Registered office and contact details	'Saurabh', Chittora Road, Harsulia Mod, Diggi – Malpura Road, Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India Tel. 09928070682
6.	Whether Listed Company	Listed
7.	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Karvy Fintech Pvt Ltd Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone No. 040-67162222

2. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company are stated here under:-

Sl. No.	Name and description of main Products / Services	NIC Code of the Products / Services	% to Total Turnover of the Company
1	Lead	24203	85.12%
2	Aluminum	24202	9.08%

3. Particulars of Holding Subsidiary and Associate Company

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Gravita Infotech Limited (Formerly Known as Gravita Exim Limited) 501, Rajputana Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur 302004, Rajasthan	U51109RJ2001PLC016924	Subsidiary	100.00%	2(87)(ii)
2	Noble Buildestate Private Limited 402, Gravita Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur 302004, Rajasthan	U45201RJ2007PTC025501	Subsidiary	100.00%	2(87)(ii)

3	Gravita Ghana Limited IN/A/43/IB Heavy Industrial Area (Opposite Licensing Office), Tema Ghana	CA-30,197	Subsidiary	100.00%	2(87)(ii)
4	Gravita Senegal SAU La Usine, Zone Industrielle de Sebikotane, Sebikotane, Dakar. Senegal (West Africa)	SN-DKR-2007-B-6703	Subsidiary	100.00%	2(87)(ii)
5	Gravita Mozambique LDA Av. Samora Machel, No 672-EN4,Bairro Matola-Gare, Tchumene-2,Municipio da Matola, Provincia de Maputo, Mozambique	000318728	Subsidiary	100.00%	2(87)(ii)
6	Gravita Global Pte. Ltd 7500A Beach Road, #04-327, The Plaza, Singapore- 199591	201204623C	Subsidiary	100.00%	2(87)(ii)
7	Gravita Netherlands B.V. Kraijenhoffstraat 137a, 1018RG Amsterdam, The Netherlands	55270271	Subsidiary	100.00%	2(87)(ii)
8	Navam Lanka Limited Plot No.27"A", MEPZ Mirigama Export Processing Zone, Mirigama (Dist.- Gampha) Srilanka	N(PBS)871	Subsidiary	52.00%	2(87)(ii)
9	Gravita Nicaragua S.A Barrio San Sebastian Ministerio Del Trabajo 4C al lago 1c Arriba Instalaciones de donge fue el cine blanco, Managua, Nicaragua	44043-B5	Subsidiary	100.00%	2(87)(ii)
10	Gravita Ventures Limited Plot No. K7/Level, Block No. Samora Avenue-Harbour View, P.O. Box 500, Dar es salaam	121399	Subsidiary	100.00%	2(87)(ii)
11	Gravita USA Inc. 5444 Westheimer, Suite 1000, Houston, Texas 77056, USA	371796364	Subsidiary	100.00%	2(87)(ii)
12	Gravita Jamaica Limited 1 Linestone, Crescent Appartment 3 lady Musgrave Road Kingstons 5 Jamaica, kingston Jamaica	88186	Subsidiary	100.00%	2(87)(ii)
13	Recyclers Ghana Limited Segeco flats, Thorkey House, Segeco Flats LANE, Tema, Greater Accra Co 1088 TEMA, Ghana	CS134512016	Subsidiary	100.00%	2(87)(ii)
14	Gravita Mali SA Bamako- Hamdallaye ACI 2000, rue 317	MABKO2017E516	Subsidiary	100.00%	2(87)(ii)

15	Gravita Cameroon Limited Great Soppo-Buea, P.O. Box: 526 Buea	TPPRR/RC/LBE/2017/B/08	Subsidiary	100.00%	2(87)(ii)
16	Met Mauritania Recycling SARL ZRA, Tevragh-Zeina No.616, Nouakchott- Mauritania	I 872	Subsidiary	100.00%	2(87)(ii)
17	Recyclers Gravita Costa Rica SA Edificio GLC, Calle 39 Avenidas 8y 10, Los Yoses San Jose Costa Rica	3-101-724214	Subsidiary	100.00%	2(87)(ii)
18	Gravita Tanzania Limited FLAT 9B, MCL Building, Clock Tower, Dar Es Salaam, Tanzania.	139500	Subsidiary	100.00%	2(87)(ii)
19	Mozambique Recyclers LDA AV. Samora Machel NR 672 Matola GARE, EN4 Matola	100900793	Subsidiary	100.00%	2(87)(ii)
20	Gravita Dominican S.A.S Madam Curie No. 11 EDIF. Madam Curie PISO 3, APTO 3A	146390SD	Subsidiary	100.00%	2(87)(ii)
21	Gravita Peru SAC Av. Reducto Nro. 1310 int. 702 Lima - Lima - Miraflores	20603801238	Subsidiary	100.00%	2(87)(ii)
22	Pearl Landcon Private Limited 401-402, Suryavanshi Pearl, A-5 Sadar Patel Marg , C - Scheme Jaipur—302001 Rajasthan	U45201RJ2003PTC018684	Associate	25.00%	2(6)

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. *Category-wise Share Holding*

CATEGORY OF SHAREHOLDER		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares
(A)	**PROMOTERS**								
(1)	INDIAN								
(a)	Individual /HUF	32677725	0	32677725	47.56%	32677725	0	32677725	47.53%
(b)	Central Government	0	0	0	0.00%	0	0	0	0.00%
(c)	State Government	0	0	0	0.00%	0	0	0	0.00%
(d)	Bodies Corporate	0	0	0	0.00%	0	0	0	0.00%
(e)	Financial Institutions / Banks	0	0	0	0.00%	0	0	0	0.00%
(f)	Others-Trust	17348025	0	17348025	25.25%	17348025	0	17348025	25.24%
	Sub-Total A(1) :	**50025750**	**0**	**50025750**	**72.81%**	**50025750**	**0**	**50025750**	**72.77%**
(2)	FOREIGN								
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00%	0	0	0	0.00%

(b)	Bodies Corporate	0	0	0	0.00%	0	0	0	0.00%
(c)	Institutions	0	0	0	0.00%	0	0	0	0.00%
(d)	Qualified Foreign Investor	0	0	0	0.00%	0	0	0	0.00%
(e)	Others	0	0	0	0.00%	0	0	0	0.00%
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00%**	**0**	**0**	**0**	**0.00%**
	Total A=A(1)+A(2)	**50025750**	**0**	**50025750**	**72.81%**	**50025750**	**0**	**50025750**	**72.77%**
(B)	**PUBLIC SHARE-HOLDING**								
(1)	INSTITUTIONS								
(a)	Mutual Funds /UTI	2261890	0	2261890	3.29%	1308268	0	2261890	1.91%
(b)	Financial Institutions / Banks	41982	0	41982	0.06%	41982	0	76337	0.11%
(c)	Central Government	0	0	0	0.00%	0	0	0	0.00%
(d)	State Government	0	0	0	0.00%	0	0	0	0.00%
(e)	Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%
(f)	Insurance Companies	0	0	0	0.00%	0	0	0	0.00%
(g)	Foreign Institutional Investors	170418	0	170418	0.25%	1474	0	1474	0.00%
(h)	Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%
(i)	Others	0	0	0	0.00%	0	0	0	0.00%
	Sub-Total B(1) :	**2474290**	**0**	**2474290**	**3.60%**	**1388354**	**0**	**1388354**	**2.02%**
(2)	NON-INSTITUTIONS								
(a)	Bodies Corporate	1377495	0	1377495	2.00%	1584003	0	1584003	2.30%
(b)	Individuals								
	(i) Individuals holding nominal share capital upto Rs.1 lakh	8493871	8970	8502841	12.38%	8476299	5793	8482092	12.34%
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	5882802	0	5882802	8.56%	5652863	0	5652863	8.22%
(c)	Others								
	Clearning Members	58911	0	58911	0.09%	121110	0	121110	0.18%
	Non Resident Indians	178335	0	178335	0.26%	232237	0	232237	0.34%
	NBFCs Registered with RBI	904	0	904	0.00%	0	0	0	0.00%
	Trusts	14288	0	14288	0.02%	39733	0	39733	0.06%
	Employee Trust	70400	0	70400	0.10%	199992	0	199992	0.10%
	IEPF	0	0	0	0.00%	254	0	254	0.00%
	Alternative Investment Fund	770000	0	770000	1.12%	843315	0	843315	1.23%
	Non Resident Indian Non Repatriable	118598	0	118598	0.17%	177011	0	177011	0.26%
(d)	Qualified Foreign Investor	0	0	0	0.00%	0	0	0	0.00%
	Sub-Total B(2) :	**16195604**	**8970**	**16204574**	**23.58%**	**17326817**	**5793**	**17332610**	**25.21%**

	Total Public Shareholding Total B=B(1)+B(2)	18669894	8970	18678864	27.18%	18715171	5793	18720964	27.23%
	Total (A+B) :	68695644	8970	68704614	100.00%	68740921	5793	68746714	100.00%
(C)	Shares held by custodians, against GDRs ADRs	0	0	0	0.00%	0	0	0	0.00%
Grand Total (A+B+C)		**68695644**	**8970**	**68704614**	**100.00%**	**68740921**	**5793**	**68746714**	**100.00%**

ii. *Shareholding of Promoters*

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumber red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Rajat Agrawal	32677725	47.56%	0.00%	32677725	47.53%	0.00%	0.03%*
2	Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	17348025	25.25%	0.00%	17348025	25.24%	0.00%	0.01%*
Total		**50025750**	**72.81%**	**0.00%**	**50025750**	**72.77%**	**0.00%**	**0.04%***

There is no change in the number of share held by the promoters of the Company except as mentioned above. However, the percentage of the shareholding has changed during the year due to allotments against exercise of Employee Stock Options.

iii. *Change in Promoters' Shareholding (please specify, if there is no change)*

Sr. No.	Shareholder Name Mr. Rajat Agrawal (DIN:00855284)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**32677725**	47.56%	**32677725**	47.56%
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change			
	At the end of the year	**32677725**	47.53%		

Sr. No.	Shareholder Name Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	**17348025**	25.25%	**17348025**	25.25%
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change			
	At the end of the year	**17348025**	25.24%		

***There is no change in the number of share held by the promoters of the Company except as mentioned above. However, the percentage of the shareholding has changed during the year due to allotments against exercise of Employee Stock Options.**

iv. *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

Sr. No	Name	Shareholding at the beginning of the year- 1st April 2018		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Ram Sharan Modi	1596148	2.32%	06/04/2018	Sale	(24195)	0.04%	1571953	2.29%
				13/04/2018	Sale	(85827)	0.12%	1486126	2.16%
				20/04/2018	Sale	(25454)	0.04%	1460672	2.13%
				27/04/2018	Purchase	17748	0.03%	1478420	2.15%
				04/05/2018	Purchase	43414	0.06%	1521834	2.21%
				11/05/2018	Purchase	39841	0.06%	1561675	2.27%
				11/05/2018	Sale	(51256)	0.07%	1510419	2.20%
				18/05/2018	Purchase	22481	0.03%	1532900	2.23%
				25/05/2018	Purchase	53098	0.08%	1585998	2.31%
				01/06/2018	Purchase	572	0.00%	1586570	2.31%
				08/06/2018	Sale	(15752)	0.02%	1570818	2.28%
				15/06/2018	Sale	(172334)	0.25%	1398484	2.03%
				10/08/2018	Purchase	29101	0.04%	1427585	2.08%
				17/08/2018	Purchase	122459	0.18%	1550044	2.25%
				24/08/2018	Sale	(189499)	0.28%	1360545	1.98%
				31/08/2018	Purchase	321782	0.47%	1682327	2.45%
				07/09/2018	Purchase	50447	0.07%	1732774	2.52%
				21/09/2018	Sale	(34393)	0.05%	1698381	2.47%
				28/09/2018	Purchase	72940	0.11%	1771321	2.58%
				05/10/2018	Purchase	98006	0.14%	1869327	2.72%
				12/10/2018	Sale	(13965)	0.02%	1855362	2.70%
				19/10/2018	Sale	(30751)	0.04%	1824611	2.65%
				26/10/2018	Purchase	67253	0.10%	1891864	2.75%
				02/11/2018	Sale	(300000)	0.44%	1591864	2.32%
				08/02/2019	Sale	(1040)	0.00%	1590824	2.31%
				22/02/2019	Purchase	1000	0.00%	1591824	2.32%
				31/03/2019	At the end of the year			1591824	2.32%
2	BOI AXA Trustee Services Pvt Ltd A/C Boi Axa Equity	1242166	1.81%	08/06/2018	Purchase	28102	0.04%	1270268	1.85%
				13/07/2018	Purchase	5000	0.01%	1275268	1.86%
				21/09/2018	Sale	(20000)	0.03%	1255268	1.83%
				28/09/2018	Purchase	53000	0.08%	1308268	1.90%
				31/03/2019	At the end of the year			1242166	1.81%
3	Atul Kuchhal	1362660	1.98%	11/05/2018	Sale	(51524)	0.07%	1311136	1.91%
				25/05/2018	Purchase	51124	0.07%	1362260	1.98%
				17/08/2018	Purchase	50	0.00%	1362310	1.98%
				29/09/2018	Sale	(72859)	0.11%	1289451	1.88%
				12/10/2018	Sale	(111596)	0.16%	1177855	1.71%
				19/10/2018	Sale	(147061)	0.21%	1030794	1.50%
				26/10/2018	Sale	(198828)	0.29%	831966	1.21%
				23/11/2018	Purchase	491458	0.71%	1323424	1.93%
				08/03/2019	Purchase	10000	0.01%	1333424	1.94%
				31/03/2019	At the end of the year			1333424	1.94%

4	Deepak Modi	404642	0.59%	06/04/2018	Sale	(10332)	0.02%	394310	0.57%
				13/04/2018	Sale	(132337)	0.19%	261973	0.38%
				20/04/2018	Sale	(27091)	0.04%	234882	0.34%
				27/04/2018	Purchase	87459	0.13%	322341	0.47%
				04/05/2018	Purchase	74355	0.11%	396696	0.58%
				11/05/2018	Purchase	7856	0.01%	404552	0.59%
				11/05/2018	Sale	(107435)	0.16%	297117	0.43%
				18/05/2018	Purchase	179496	0.26%	476613	0.69%
				25/05/2018	Purchase	4746	0.01%	481359	0.70%
				01/06/2018	Purchase	8766	0.01%	490125	0.71%
				08/06/2018	Purchase	125543	0.18%	615668	0.90%
				08/06/2018	Sale	(34100)	0.05%	581568	0.85%
				15/06/2018	Sale	(307162)	0.45%	274406	0.40%
				06/07/2018	Purchase	1025	0.00%	275431	0.40%
				13/07/2018	Purchase	17506	0.03%	292937	0.43%
				20/07/2018	Purchase	156029	0.23%	448966	0.65%
				27/07/2018	Sale	(11206)	0.02%	437760	0.64%
				03/08/2018	Sale	(26595)	0.04%	411165	0.60%
				10/08/2018	Purchase	70729	0.10%	481894	0.70%
				17/08/2018	Sale	(36458)	0.05%	445436	0.65%
				24/08/2018	Purchase	58530	0.09%	503966	0.73%
				07/09/2018	Sale	(8205)	0.01%	495761	0.72%
				14/09/2018	Purchase	94489	0.14%	590250	0.86%
				21/09/2018	Purchase	55082	0.08%	645332	0.94%
				28/09/2018	Sale	(23000)	0.03%	622332	0.91%
				05/10/2018	Sale	(2862)	0.00%	619470	0.90%
				12/10/2018	Purchase	65150	0.09%	684620	1.00%
				19/10/2018	Sale	(86121)	0.13%	598499	0.87%
				26/10/2018	Purchase	32285	0.05%	630784	0.92%
				02/11/2018	Purchase	9270	0.01%	640054	0.93%
				09/11/2018	Purchase	1701	0.00%	641755	0.93%
				11/01/2019	Sale	(3725)	0.01%	638030	0.93%
				08/02/2019	Sale	(15020)	0.02%	623010	0.91%
				15/02/2019	Sale	(20018)	0.03%	602992	0.88%
				22/02/2019	Purchase	33432	0.05%	636424	0.93%
				22/03/2019	Sale	(18105)	0.03%	618319	0.90%
				29/03/2019	Sale	(4078)	0.01%	614241	0.89%
				31/03/2019			At the end of the year	614241	0.89%
5	UNIFI AIF 2	770000	1.12%	12/10/2018	Purchase	73315	0.11%	843315	1.23 %
				31/03/2019			At the end of the year	843315	1.23%
6	Raveena Kothari	250000	0.36%	22/06/2018	Sale	(50000)	0.07%	200000	0.29%
				01/03/2019	Purchase	4822	0.01%	204822	0.30%
				31/03/2019			At the end of the year	204822	0.30%
7	Geeta Devi Jajoo	194750	0.28%	31/03/2019			At the end of the year	194750	0.28%
8	Gita Kirti Ambani	259577	0.38%	31/03/2019			At the end of the year	259577	0.38%
9	Jaikrishan Jajoo	203695	0.30%	31/03/2019			At the end of the year	203695	0.30%

10	IDBI Small Cap Fund	249724	0.36%	04/05/2018	Sale	(105999)	0.15%	143725	0.21%
				22/06/2018	Sale	(412)	0.00%	143313	0.21%
				10/08/2018	Sale	(32273)	0.05%	111040	0.16%
				17/08/2018	Sale	(9098)	0.01%	101942	0.15%
				31/08/2018	Sale	(20000)	0.03%	81942	0.12%
				14/09/2018	Sale	(15319)	0.02%	66623	0.10%
				28/09/2018	Sale	(19025)	0.03%	47598	0.07%
				12/10/2018	Sale	(47598)	0.07%	0	0.00%
				31/03/2019	At the end of the year			0	0.00%
11	Mohit Jajoo	190198	0.28%	31/03/2019	At the end of the year			190198	0.28%
12	Ram Gopal Choudhary	227348	0.33%	06/04/2018	Sale	(750)	0.01%	223598	0.33%
				15/06/2018	Sale	(7300)	0.01%	216298	0.31%
				22/06/2018	Sale	(140000)	0.20%	76298	0.11%
				31/03/2019	At the end of the year			76298	0.11%

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each Directors and KMP		Shareholding at the beginning of the year-1st April 2018		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Rajat Agrawal (DIN:00855284)	At the beginning of the year	32677725	47.56%	32677725	47.56%
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change				
		At the end of the year	32677725	47.53%		
2	Dr. Mahavir Prasad Agarwal (DIN: 00188179) (Trustee on Behalf of Agrawal Family Private Trust)	At the beginning of the year	17348025	25.25%	17348025	25.25%
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change				
		At the end of the year	17348025	25.24%		
3	Mr. Dinesh Kumar Govil (DIN:02402409)	At the beginning of the year	Nil	Nil	Nil	Nil

	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change					
		At the end of the year		Nil	Nil		
4	Mr. Yogesh Malhotra (DIN:05332393)	At the beginning of the year		46470			
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	13/04/18	Sale	(185)	0.0003%	46285	0.0674%
		04/05/18	Sale	(1000)	0.0015%	45285	0.0659%
		08/05/18	ESOP	3250	0.0047%	48535	0.0706%
		26/06/18	Sale	(2000)	0.0029%	46535	0.0677%
		17/09/18	Sale	(4000)	0.0058%	42535	0.0619%
		08/10/18	Sale	(7000)	0.0102%	35535	0.0517%
		10/10/18	Sale	(5000)	0.0073%	30535	0.0444%
		22/10/18	Sale	(4779)	0.0070%	25756	0.0375%
		01/11/18	Sale	(6000)	0.0087%	19756	0.0287%
		24/12/18	Sale	(5000)	0.0073%	14756	0.0215%
		26/12/18	Sale	(5000)	0.0073%	9756	0.0142%
		07/01/19	Sale	(6000)	0.0087%	3756	0.0055%
		At the end of the year		3756	0.0055%		
5	Mr. Arun Kumar Gupta (DIN: 02749451)	At the beginning of the year		Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change					
		At the end of the year		Nil	Nil		
6	Mrs. Chanchal Chadha Phadnis (DIN: 07133840)	At the beginning of the year		Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	No Change					
		At the end of the year		Nil	Nil		
7	Mr. Naveen Prakash Sharma	At the beginning of the year		36508	0.0531%		

	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	14/04/18	Sale	(600)	0.0009%	35908	0.0523%
		16/04/18	Sale	(500)	0.0007%	35408	0.0515%
		17/04/18	Sale	(500)	0.0007%	34908	0.0508%
		18/04/18	Sale	(600)	0.0009%	34308	0.0499%
		26/04/18	Sale	(900)	0.0013%	33408	0.0486%
		28/04/18	Sale	(1000)	0.0015%	32408	0.0471%
		02/05/18	Sale	(2900)	0.0042%	29508	0.0429%
		03/05/18	Sale	(9600)	0.0009%	28908	0.0421%
		08/05/18	ESOP	4500	0.0065%	33408	0.0486%
		20/08/18	Sale	(1300)	0.0019%	32108	0.0467%
		27/08/18	Sale	(200)	0.0003%	31908	0.0464%
		01/09/18	Sale	(279)	0.0004%	31629	0.0460%
		03/09/18	Sale	(900)	0.0013%	30729	0.0447%
		At the end of the year		30729	0.0447%		
8	Mr. Sunil Kansal	At the beginning of the year		35250	0.0310%		
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	26/04/2018	ESOP	1800	0.0026%	37050	0.0539%
		At the end of the year		37050	0.0539%		
9	Mr. Nitin Gupta	At the beginning of the year		1010	0.0015%		
	Date wise Increase / Decrease in Share Holding during the year specifying the reasons for Increase/Decrease (e.g. allotment / Transfer / Bonus/ Sweat equity etc.)	27/04/2018	Sale	(500)	0.0007%	1510	0.0007%
		08/05/2018	ESOP	500	0.0007%	1010	0.0015%
		09/10/2018	Sale	(1000)	0.0015%	10	0.0000%
		At the end of the year		10	0.0000%		

The percentage of the shareholding in shareholding of Directors and KMP has changed during the year due to allotments against exercise of Employee Stock Options.

5. Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In lacs)

Indebtedness at the beginning of the year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal Amount	20,728.43	0.00	0.00	20,728.43
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not paid	52.53	0.00	0.00	52.53
Total (i+ii+iii)	**20,780.96**	**0.00**	**0.00**	**20,780.96**
Change in Indebtedness during the financial year				
• Addition	1,131.10	0.00	0.00	1,131.10
• Reduction	226.44	0.00	0.00	226.44
Net Change	904.66	0.00	0.00	904.66
Indebtedness at the end of the year				
i. Principal Amount	21,633.09	0.00	0.00	21,633.09
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not paid	6.43	0.00	0.00	6.43
Total (i+ii+iii)	**21,639.52**	**0.00**	**0.00**	**21,639.52**

6. Remuneration of Directors and Key Managerial Personnel

(A). Remuneration to Managing Director, Whole-Time Directors and/or Manager:

(₹ In lacs)

S. no	Particulars of Remuneration	Name of MD/WTD/Manager			
		Mr. Rajat Agrawal DIN:00855284	Dr. Mahavir Prasad Agarwal DIN:00188179	Mr. Yogesh Malhotra # DIN:05332393	Total Amount
1	Gross Salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act	119.02	119.81	0.13	238.96
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961	0.98	0.19	0.009	1.179
(c)	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option*	Nil	Nil	0.014	0.014
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	-As % of profit	Nil	Nil	Nil	Nil
	Others				
	-Variable Pay	Nil	Nil	0.08	0.08
	-PAT Incentive/Performance Incentive**	Nil	Nil	Nil	Nil
5.	Others:				
	Provident Fund	5.71	5.75	0.005	11.465
	Gratuity	2.28	2.30	0.002	4.582
	NPS Contribution	Nil	Nil	0.004	0.004
	Performance Bonus	Nil	Nil	Nil	Nil
	Total (A)	**127.99**	**128.05**	**0.244**	**256.284**
	Ceiling as per the Act	Remuneration is paid as per Schedule V of Companies Act, 2013 and ceiling is based on effective capital of the company.			

\# Appointed w.e.f 31st March, 2019 therefore the remuneration of one day i.e. of 31st March, 2019 is disclosed in this report

* Represent the value of options exercised and regarded as perquisite. However, it does not include the value of unvested options or options vested but not exercised.

**PAT Incentive/Performance Incentive is subject to Performance and Target Achievement

(B) Remuneration to Other Directors:

Sr. No	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors		
(a)	Fees for attending board committee meetings	NIL	
(b)	Commission		
(c)	Other, please specify		
	Total (1)		
2.	Other Non-Executive Directors		
(a)	Fees for attending board committee meetings		
(b)	Commission		
(c)	Other, please specify		
	Total (2)		
	Total (B) = (1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

(C) Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD:

(₹ In lacs)

Sr. No	Particulars of Remuneration	Name of KMP			Total Amount
		Mr. Naveen Prakash Sharma [Chief Executive Officer]	Mr. Nitin Gupta [Company Secretary]	Mr. Sunil Kansal [Chief Financial Officer]	
1.	Gross Salary				
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act	47.20	7.15	43.88	98.23
(b)	Value of perquisites u/s 17(2) Income Tax Act, 1961	3.08	0.29	1.73	5.10
(c)	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option*	6.92	0.78	3.06	10.76
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission -As % of profit Others -Variable Pay -PAT Incentive/Performance Incentive**	 Nil Nil 27.50	 Nil Nil 0.62	 Nil Nil 25.00	 Nil Nil 53.12
5.	Others, please specify Provident Fund & other Funds	4.72	0.34	4.39	9.45
	Performance Bonus	Nil	Nil	Nil	Nil
	Total (A)	89.42	9.18	78.06	176.66
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

*Represent the value of options exercised and regarded as perquisite. However, it does not include the value of unvested options or options vested but not exercised.

**PAT Incentive/Performance Incentive is subject to Performance and Target Achievement

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board

Date: 14th August 2019
Place: Jaipur

(Rajat Agrawal)
Managing Director
DIN: 00855284

(Dr. Mahavir Prasad Agarwal)
Whole-time Director
DIN: 00188179

Annexure-2

CSR REPORT

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is **http://www.gravitaindia.com/wp-content/uploads/pdf/csr-policy.pdf** As per CSR Policy of the Company, the Company may engage in any of the activities related to Health, Education, Environment, Sports and Others. The Company may also collaborate with other companies/ trust / societies for undertaking projects or programs or CSR activities in accordance with the provisions, amendments and rules specified in the Act. In addition, it may build CSR capacities of their own personnel as well as their implementing agencies through institutions while complying with respective provisions and amendments, if any, under Companies Act, 2013. The CSR initiatives of the Company shall focus the areas surrounding its plants, locations or where the Company has its offices.
2	The Composition of the CSR Committee.	As on 31st March, 2019 CSR Committee of the Company comprises of following Directors: Mr. Dinesh Kumar Govil (DIN: 02402409) (Chairman) Mr. Rajat Agrawal (DIN:00855284) (Member) Dr. Mahavir Prasad Agarwal (DIN:00188179) (Member)
3	Average net profit of the company for last three financial years.	₹ 2,213.33 Lacs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 44.27 Lacs
5	Details of CSR spent during the financial year.	
	(1) Total amount to be spent for the F.Y.	₹ 44.27 Lacs
	(2) Amount unspent , if any;	₹ 25.45 Lacs
	(3) Manner in which the amount spent during the financial year :	The manner in which the amount is spent is detailed hereunder in Table A
6	Reason for not spending 2% of average net profits.	The Company is very much keen to spend amount towards Corporate Social Responsibility but due to falling commodity price and sluggish market conditions for business and depleting profit margins, the company was unable to spend the required amount towards CSR.

Table A: Details of amount spent in CSR activities

S. No	CSR project or activity identified	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Sanitation and Educational Support to schools and Colleges	Rajasthan	Promoting education under Schedule VII (ii)	₹12.00 Lacs	Direct Expenditure of ₹8.46 Lacs	₹8.46 Lacs	₹6.46 Lacs spent Directly and ₹2.00 Lacs spent through Jagriti Foundation, Jaipur
		Chittoor, Andhra Pradesh	Promoting education under Schedule VII (ii)		Direct Expenditure of ₹1.20 Lacs	₹1.20 Lacs	Spent Directly
2	Health covering General Medical camp and other medical facilities.	Rajasthan	Promoting Health Care, eradicating hunger, poverty and malnutrition and making available safe drinking water under Schedule VII (i)	₹12.00 Lacs	Direct Expenditure of ₹6.23 Lacs	₹6.23 Lacs	₹5.23 Lacs spent Directly and ₹1.00 Lacs spent through outside agencies
		Chittoor, Andhra Pradesh			Direct Expenditure of ₹1.10 Lacs	₹1.10 Lacs	Spent Directly
3	Environment	Rajasthan	Ensuring Environmental Sustainability, ecological balance, protection of flora and fauna, animal welfare under Schedule VII (iv)	₹6.00 Lacs	Direct Expenditure of ₹0.76 Lacs	₹0.76 Lacs	Spent Directly
		Chittoor, Andhra Pradesh			Direct Expenditure of ₹0.07 Lacs	₹0.07 Lacs	Spent Directly
4	Other CSR activities as per schedule VII of Companies Act, 2013	Rajasthan	Enhancing Vocational Skills under Schedule VII (ii)	₹14.27 Lacs	Direct Expenditure of ₹1.00 Lacs	₹1.00 Lacs	Spent Through Bhart Seva Sansthan, Jaipur Rajasthan
		Total		**₹44.27 Lacs**	**₹18.82 Lacs**	**₹18.82 Lacs**	

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Rajat Agrawal	**Dinesh Kumar Govil**
Managing Director	Chairman-CSR Committee
DIN:00855284	DIN: 02402409

Annexure-3

Form MR-3
Secretarial Audit Report
For the Financial Year ended on 31st March, 2019

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To

The Members,

Gravita India Limited

'Saurabh', Chittora Road, Harsulia Mod,

Diggi Malpura Road,

Tehsil-Phagi, Jaipur,

Rajasthan-303904

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

Based on my verification of Gravita India Limited`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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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 maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the reporting period under audit);
    (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
    (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during 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;
    (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during Audit Period)** &
    (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during Audit Period)**

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

As per section 135 of the Company's Act 2013 read-wtih Company's (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, the Company was required to spend during the financial year, at least two percent at the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility (CSR) Policy. However, the Company has not spent the prescribed amount towards its CSR activities during the Financial Year.

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Manufacture, Storage & Import of Hazardous Chemical Rules, 1989
2. Batteries (Management and Handling) Rules, 2001.
3. Hazardous Waste Management and Handling Rules, 2008

I further report that, during the year under review:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any, 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.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, or at short period, as the case may be, 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.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

I further report that 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

I further report that during the audit period the Company has issued & allotted 42,100 Equity Shares of ₹ 2/- each under Gravita Employee Stock Option Scheme.

For P. Pincha & Associates
Company Secretaries

Pradeep Pincha
Proprietor

Dated: 25th May, 2019
Place: Jaipur

M.No: FCS 5369
C. P. No.:4426

(This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report.)

Annexure-A

To
The Members,
Gravita India Limited
'Saurabh', Chittora Road, Harsulia Mod,
Diggi Malpura Road,
Tehsil-Phagi,Jaipur,
Rajasthan-303904

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

4. Where ever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.

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

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

For P. Pincha & Associates
Company Secretaries

Pradeep Pincha
Proprietor
M.No: FCS 5369
C. P. No.:4426

Dated: 25th May, 2019
Place: Jaipur

Annexure-4

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES 2014

i. Conservation of Energy:

a) **Steps taken or impact on conservation of energy:**

The company has made two major design improvements for conservation of energy.

- Variable Frequency Drives (VFDs) are being used for all large process fan motors.
- Optimization of motor and gearbox in existing Ingot Casting Machine thereby reducing the power consumption of driving motor.

These changes will help the company in saving electricity consumption.

b) **Steps taken by the company for utilizing alternate sources of energy:**

The Company is making efforts to utilize alternate sources and has plans to install solar panels at the roof of workshop shed for its plants situated at Chittoor, Phagi & SEZ Jaipur thereby minimizing the consumption of electricity from commercial electricity boards.

c) **Capital Investment on Energy conservation equipments:** N.A.

ii. Technology Absorption

a) **Efforts made towards Technology Absorption:** The Company has done experimentation to separate heavy plastics like ABS. Company is successfully using sink and float mechanism for separating the lighter plastics from heavier lead. However, the density of ABS is more than water, so it is not able to float on water. To make it float on water, the density of water was changed by the addition of soda ash step by step and checking the capability of ABS to float on solution. The experimentation was successful at a density of 1.20 g/cm^3. At this density of solution, ABS was floating and it can be used for separation of ABS from lead material.

b) **Benefits derived towards improvement in technology of machines and equipment:** The above technology improvement will help the company in manufacturing equipment's with more flexibility for breaking batteries made up of heavy plastic boxes

c) **Technology Imported:** Company has invested in procuring an Ingot Stacking & Bundling Machine for Chittoor plant from China. This machine will reduce the manpower involved in stacking and bundling of ingots coming out of Ingot Casting Machine

d) **Expenditure incurred on Research And Development: Nil**

iii. Foreign Exchanges Earnings & Outgo

(₹ In Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenditure in Foreign Currency	71,205.25	50,148.48
Earnings in Foreign Currency	56,087.92	46,487.13

Annexure-5

STATEMENT SHOWING THE NAMES AND OTHER PARTICULARS OF EMPLOYEES DRAWING REMUNERATION IN EXCESS OF THE LIMITS IN TERMS OF THE PROVISIONS OF SECTION 197(12) OF THE ACT READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Name	Mr. Rajat Agrawal
Age	52 Years
Designation	Managing Director
Remuneration	₹ 10,66,648/- Per Month
Nature of Employment	Regular Employment
Qualification	B.E. (Mechanical)
Experience (in Years)	27 Years
Date of Commencement of Employment	04.08.1992
Particulars of Previous Employment	Started career with Gravita only
% of Equity Shares Held	47.53%
Relation with Director or Manager	Dr. Mahavir Prasad Agarwal (WTD) (DIN: 00188179) is Father of Mr. Rajat Agrawal (DIN:00855284)

Name	Dr. Mahavir Prasad Agarwal
Age	85 Years
Designation	Whole-time Director
Remuneration	₹ 10,67,094/- Per Month
Nature of Employment	Regular Employment
Qualification	M.B.B.S. and M.D. in General Medicine
Experience (in Years)	61 Years
Date of Commencement of Employment	04.08.1992
Particulars of Previous Employment	Department of Medical & Health, Govt. of Rajasthan
% of Equity Shares Held	0.00%
Relation with Director or Manager	Dr. Mahavir Prasad Agarwal (WTD) (DIN:00188179) is Father of Mr. Rajat Agrawal (DIN:00855284)

Annexure-6

DISCLOSURES OF REMUNERATION TO DIRECTORS & KMP [PURSUANT TO SECTION 197(12) OF THE ACT READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

i. **The Ratio of the remuneration of each Director to the median remuneration of employees of the Company for the year ended 31st March, 2019 are:-**

Sr. No.	Name of Director/CFO/CEO/ Company Secretary	Designation	Ratio of remuneration to median remuneration of the Employee of the Company*	Percentage increase in the remuneration for the Financial Year 2018-19
1	Dr. Mahavir Prasad Agarwal (DIN:00188179)	Chairman & Whole time Director	66:1	Nil
2	Mr. Rajat Agrawal (DIN: 00855284)	Managing Director	66:1	Nil
3	Mr. Yogesh Malhotra (DIN:05332393)#	Whole time Director	N.A.	N.A.
4	Mr. Nitin Gupta	Company Secretary	N.A.	29%
5	Mr. Naveen Prakash Sharma	Chief Executive Officer	N.A.	25%
6	Mr. Sunil Kansal	Chief Financial Officer	N.A.	39%

* Median remuneration of the Employees of the Company assumed to be ₹1.81 Lacs.

** The above increase in remuneration is calculated excluding PAT/Performance incentive and value of ESOP's granted during the year.

#Mr. Yogesh Malhotra has been appointed w.e.f 31st March, 2019 therefore the yearly details of remuneration is not available

ii. Percentage increase in the median remuneration of employees in the financial year 2018-19 is 20%.

iii. Number of Permanent Employees on the payroll as on 31st March 2019 of the Company are 1367 (One Thousand Three Hundred Sixty Seven only).

iv. Average Percentile increase in the Salaries of the Employees other than Managerial Personnel is 13.85% and increase in salary of Managerial Personnel during last financial year is disclosed in point no.(i).

v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure- 7

(Form AOC1)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part “A” : Subsidiaries

Details in their Respective Local currencies

S. No.	Name of subsidiary	Reporting period for the subsidiary	Reporting Currency	Exchange rate as at March 31, 2019	(1) Share Capital	Reserves and surplus	(2) Total Assets	Total Liablities (excluding share capital and reserves and surplus)	(6) Investments (Non-current)	(3) (4) Turnover (including inter-company transactions)	(3) Profit (Loss) before taxation	(3) Provision for taxation	(3) Profit (Loss) after taxation (excluding OCI)	% of shareholding
1	Navam Lanka Limited	Mar 31, 2019	LKR	0.39	409.63	580.14	1,586.29	596.52	-	5,932.81	947.76	135.87	811.89	52%
2	Gravita Global Pte Limited	Mar 31, 2019	USD	69.17	728.60	244.19	978.34	5.55	786.50	25.88	(6.96)	-	(6.96)	100%
3	Recyclers Ghana Limited (5)	Mar 31, 2019	GHC	13.61	488.91	(39.18)	2,173.27	1,723.54	-	-	-	-	-	100%
4	Met Mauritania Recycling SARL (Formerly known as Gravita Mauritania SARL)	Mar 31, 2019	MRO	0.19	1.87	(60.53)	833.39	892.05	-	307.23	(63.44)	-	(63.44)	100%
5	Gravita Senegal SAU	Dec 31,2018	CFA	0.12	223.93	1,136.73	1,986.99	626.33	-	5,319.55	870.10	132.26	737.84	100%
6	Gravita Mozambique LDA	Mar 31, 2019	MZN	1.08	128.35	2,678.85	3,433.80	626.60	-	7,091.41	734.21	107.80	626.41	100%
7	Gravita Ventures Limited	Mar 31, 2019	USD	69.17	6.27	(61.35)	138.14	193.22	-	730.07	9.93	3.44	6.49	100%
8	Gravita Mali SA (5)	Mar 31, 2019	CFA	0.12	13.07	(1.08)	214.93	202.94	-	-	-	-	-	100%
9	Gravita Cameroon Limited (5)	Mar 31, 2019	CFA	0.12	72.19	(2.70)	164.59	95.10	-	-	-	-	-	100%
10	Gravita Nicaragua SA	Mar 31, 2019	NIO	2.11	435.72	(228.46)	1,626.73	1,419.47	-	2,776.01	(74.24)	-	(74.24)	100%
11	Gravita Tanzania Limited (5)	Mar 31, 2019	TZS	0.03	183.19	(6.22)	1,782.08	1,605.11	-	-	-	-	-	100%
12	Mozambique Recyclers LDA	Mar 31, 2019	MZN	1.08	6.50	(19.26)	215.79	228.55	-	79.50	(24.56)	-	(24.56)	100%
13	Gravita USA Inc	Mar 31, 2019	USD	69.17	144.83	74.58	1,294.54	1,075.13	-	4,975.56	43.98	9.24	34.74	100%
14	Gravita Jamaica Limited	Mar 31, 2019	USD	69.17	186.74	(295.92)	905.82	1,015.00	-	377.12	(191.84)	-	(191.84)	100%
15	Recyclers Gravita Costa Rica SA	Mar 31, 2019	CRC	0.12	131.59	(228.49)	233.39	330.29	-	779.32	(175.19)	-	(175.19)	100%
16	Gravita Netherlands BV	Mar 31, 2019	USD	69.17	14.63	3,772.10	6,091.26	2,304.53	3,141.17	1,313.11	659.24	-	659.24	100%
17	Gravita Dominican SAS (5)	Mar 31,2019	DOP	1.37	12.69	(0.28)	66.51	54.10	-	-	-	-	-	100%
18	Gravita Peru SAC (5)	Mar 31, 2019	SOL	20.90	7.34	(0.56)	23.70	16.92	-	-	-	-	-	100%
19	M/s Gravita Metal Inc.	Mar 31, 2019	INR	1.00	100.00	659.03	2,367.20	1,608.17	-	7,840.94	324.21	110.63	213.58	100%

20	M/s Gravita Metals	Mar 31, 2019	INR	1.00	400.00	260.17	674.99	14.82	-	120.75	(59.24)	-	(59.24)	100%
21	Gravita Ghana Limited	Mar 31, 2019	GHC	13.61	123.66	57.41	1,934.69	1,753.62	-	7,381.10	(275.13)	-	(275.13)	100%
22	Gravita Infotech Limited (Formerly known as Gravita Exim Limited)	Mar 31, 2019	INR	1.00	20.00	256.40	291.49	15.09	27.57	21.12	(22.93)	(7.19)	(15.74)	100%
23	M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	Mar 31, 2019	INR	1.00	2.00	7.40	9.40	-	-	-	(1.05)	(0.14)	(0.91)	100%
24	Noble Buildestate Private Limited	Mar 31, 2019	INR	1.00	2.00	(118.05)	224.77	340.82	-	19.35	(14.40)	-	(14.40)	100%
25	M/s Recycling Infotech LLP	Mar 31, 2019	INR	1.00	2.00	(1.82)	0.37	0.19	-	0.44	0.32	0.11	0.21	100%

Notes:

(1) Converted at historcal exchange rates

(2) Including investments at historcal exchange rates

(3) Converted at average exchange rates

(4) Turnover includes other income and other operating revenues

(5) Subsidiaries of the Company are yet to commence their operations

(6) Investments includes investments in subsidiaries

(7) Proposed dividend from any of the subsidiaries is Nil.

(8) Reserve and surplus includes other comprehensive income, Security premium, General Reserve, Share Options Outstanding account and foreign currency translation reserve.

Part - B : Associates

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(In Rs. Lacs, except % of shareholding and number of shares)

S. No.	Name of Associates	Latest Balance sheet date	Share of associates held by the Company on the year end			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit/ (loss) for the year	
			No of shares held	Amount of Investment	% Holding				Considered in consolidation	Not considered in consolidation
1	Pearl Landcon Private Limited	Mar 31, 2019	5,000	0.50	25%	Equity holding more than 20%, but less than 50%	Not applicable	9.06	(1.36)	(3.97)

For and on behalf of the Board of Directors

Rajat Agrawal
Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No. FCS 9984

Corporate Governance Report

Company's Philosophy on Code of Governance

Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Gravita India Limited (hereinafter referred to as 'Gravita') is fully committed to practicing sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organisation, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The Company fosters a culture in which high standards of ethical behavior, individual accountability and transparent disclosure are ingrained in all its business dealings and shared by its Board of Directors, management and employees. The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value.

Board of Directors

The Board plays crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board of Directors and keep our governance practices under continuous review. As on 31st March, 2019, the total Board strength comprises of 6 (six) Directors out of which 3 (Three) Directors are Executive Directors and 3 (Three) are Independent Directors. The Company's Board Members are from diverse backgrounds with skills and experience in critical areas like Marketing, Finance & Taxation, Economics, Law, Governance etc. Further, all Independent Directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring the best interests of stakeholders and the Company. They take active part at the Board and Committee Meetings by providing valuable guidance to the management on various aspects of Business, Policy Direction, Governance, Compliance etc. and play critical role on issues, which enhances the transparency and add value in the decision making process of the Board of Directors. The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 (1) and 17 1 (A) of SEBI (LODR) Regulations, 2015. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory, as well as business requirements. Further in the opinion of Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 as amended from time to time and are independent of management

The details of composition of the Board as on 31st March, 2019, the attendance record of the Directors at the Board Meetings held during the financial year 2018-19 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given herein below:

Name	Category	Whether attended AGM held on 01st September, 2018	Number of Directorships in other companies as on 31st March, 2019#	No. of committee positions held in other public companies as on 31st March, 2019	
				Chairman	Member
Dr. Mahavir Prasad Agarwal	Executive & Promoter	Yes	6	Nil	Nil
Mr. Rajat Agrawal	Executive and Promoter	No.	3	Nil	Nil
Mr. Yogesh Malhotra*	Executive	N.A.	2	Nil	Nil
Mr. Dinesh Kumar Govil	Non-Executive Lead Independent	Yes	5	2	Nil
Mr. Arun Kumar Gupta	Non-Executive Independent	No	Nil	Nil	Nil
Mrs. Chanchal Chadha Phadnis	Non-Executive Independent	No	Nil	Nil	Nil

*Mr. Yogesh Malhotra has been appointed as Board Member w.e.f 31st March, 2019
#Directorship does not include directorships held in Foreign Companies Further for the purpose of calculation of chairmanship and membership of committees all the committees has been considered.

1. Dr. Mahavir Prasad Agarwal, Executive Director of the Company is the father of Mr. Rajat Agrawal, Managing Director of the Company. Other than the aforesaid there are no inter-se relationships among the Directors.
2. None of the Director is member in more than 10 committees or Chairman of more than five committees across all companies in which he is a Director. Further none of the Director acts as an Independent Director in more than 7 Listed Companies.
3. Non-executive Independent Directors of the company do not hold any shares of the company as on March 31, 2019.
4. None of the Directors of the company is appointed as director in any other Listed Entity.
5. Mr. Yogesh Mohan Kharbanda and Mr. Hemant Kaul, Independent Directors of the company has resigned from the board w.e.f 01st April, 2018 and 12th July, 2018 respectively due to thier personal pre-occupancies and the same is mentioned in the resignation letter provided by them and there are no other material reasons other than those provided.

Skills/Expertise/Competence of the Board of Directors

List of core skills / expertise / competencies required by the Board (identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

S. No.	Skills / Expertise / Competencies identified by the board of directors as required in the context of the business and sector(s) to function effectively		Status of availability with the Board
1	Understanding of Business/Industry	Experience and knowledge of Manufacturing and Recycling associated businesses	P
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	P
3	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.	P
4	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	P
5	Market Understanding	Understanding of market scenario related to the business segment in which company is working.	P
6	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks.	P

Board Meetings

Dates for the Board Meetings are decided well in advance and communicated to the Directors. Board Meetings are held at the Corporate Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board to address specific needs of the Company are held as and when deemed necessary by the Board. In case of any emergency, resolutions are passed by circulation. The intervening period between two Board meetings is well within the maximum gap as prescribed under Regulation 17 (2) of SEBI (LODR) Regulations, 2015. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any. The following meetings of the Board were held during the Financial Year 2018-19:

S.No.	Date of Meeting	Board Strength	No. Of Directors Present
1	26th April, 2018	6	6
2	28th May, 2018	6	6
3	12th July, 2018	6	4
4	01st August, 2018	5	5
5	24th September, 2018	5	4
6	14th November, 2018	5	4
7	07th February, 2019	5	4
8	31st March, 2019	6	5

Attendance of each Director at the Board Meetings:

Name of Director	Board Meetings held during the year	Meetings Attended
Dr. Mahavir Prasad Agarwal	8	8
Mr. Rajat Agrawal	8	6
Mr. Yogesh Malhotra *	8	0*
Mr. Dinesh Kumar Govil	8	8
Mr. Hemant Kaul #	8	2#
Mr. Arun Kumar Gupta	8	8
Mrs. Chanchal Chadha Phadnis	8	6

* Appointed w.e.f 31st March, 2019

Mr. Hemant Kaul was appointed as Additional Director in the capacity of (Non-Executive Independent Director) on the Board of the Company w.e.f 01st April, 2018. Further, he has resigned from the Board w.e.f 12th July, 2018 due to his personal pre-occupancies and the same is mentioned in the resignation letter provided by him.

Meeting of Independent Directors

In compliance of Section 149 of Companies Act, 2013 read with SEBI (LODR) Regulations, 2015 a separate meeting of Independent Directors was held on 31st March, 2019. Attendance of Independent Directors at the meeting is given hereunder:

Name of Director	Whether present or not
Mr. Dinesh Kumar Govil	Yes
Mr. Arun Kumar Gupta	Yes
Mrs. Chanchal Chadha Phadnis	Yes

Audit Committee

The Audit Committee of the Company comprises of three Non-Executive and Independent Directors and is constituted in accordance with the requirements of the SEBI (LODR) Regulations, 2015 read with Companies Act 2013. Mr. Dinesh Kumar Govil is the Chairman of the Audit Committee. All the members of the committee are financially literate and possess thorough knowledge of accounting principles.

The Statutory Auditors, Cost Auditors and Internal Auditors are invited to the Audit Committee Meetings to discuss with directors the scope of audit, their comments, and to discuss the Internal Audit Reports. Minutes of the Audit Committee Meetings are circulated to all the Members of the Audit Committee and thereafter discussed and noted at the subsequent Board Meetings.

The Company Secretary of the Company acts as Secretary of the Audit Committee.

The Audit Committee met 5(five) times during the financial year 2018-19 on:

28th May, 2018
12th July, 2018
31st July, 2018
14th November, 2018
06th February, 2019

The intervening period between two Audit Committee meetings is well within the maximum gap of one hundred and twenty days as prescribed under Regulation 18 (2) (a) of SEBI (LODR) Regulations, 2015.

Composition of Audit Committee and Attendance

Name of the Members	Designation	Number of Meetings held during the year	No. of Meetings Attended
Mr. Dinesh Kumar Govil	Chairman	5	5
Mr. Arun Kumar Gupta	Member	5	4
Mrs. Chanchal Chadha Phadnis	Member	5	3

The Board of Directors at their meeting held on 31st March, 2019 has made changes in terms of reference of Audit Committee in line with SEBI (LODR) (Amendment) Regulations, 2018. The revised terms of reference of the Audit Committee are broadly as follows:

- ❖ Oversight of the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ❖ Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors, remuneration and terms of appointment of auditors of the company;
- ❖ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ❖ Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be stated in the Board's report in terms of provisions of Companies Act;

- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Modified opinion(s)/Qualifications in the draft audit report

❖ Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

❖ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

❖ Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

❖ Discussion with internal auditors of any significant findings and follow up there on;

❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a 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 discussion to ascertain any area of concern;

❖ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

❖ Reviewing the functioning of Whistle Blower Mechanism;

❖ Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

❖ To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;

❖ To review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given;

❖ To review the financial statements, in particular, the investments made by the unlisted subsidiary;

❖ To take note of an annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice, certified by the statutory auditors of the listed entity, and place it before the audit committee till such time the full money raised through the issue has been fully utilized;

❖ To take note of following indications made by Chief Executive Officer or Chief Financial Officer of the Company, if any;

❖ To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

❖ To review:

- Significant changes in internal control over financial reporting during the year;
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

❖ To review the following statement(s) on a quarterly basis for public issue, rights issue, preferential issue etc.-

- Indicating deviations, if any, in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable;
- Indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilisation of funds made by it in its offer document or explanatory statement to the notice for the general meeting, as applicable and the actual utilisation of funds;

❖ Review and monitor the auditor's independence and performance, and effectiveness of audit process;

❖ Approval or any subsequent modification of transactions of the company with related parties including granting omnibus approval for related party transaction;

❖ Scrutiny of inter-corporate loans and investments;

- ❖ Valuation of undertakings or assets of the company, wherever it is necessary;
- ❖ Evaluation of internal financial controls and risk management systems;
- ❖ Carrying out any other function as is mentioned in the terms of reference of the audit committee as may be specified under the provisions of the Companies Act, 2013 and /or SEBI (LODR) Regulations, 2015 and such other provisions, as may be applicable.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee reviews and recommends the payment of salaries, commission and finalizes appointment and other employment conditions of Directors, Key Managerial Personnel and other Senior Employees. The Board of Directors at their meeting held on 31st March, 2019 has made changes in terms of reference of Nomination and Remuneration Committee so as to comply with SEBI (LODR) (Amendment) Regulations, 2018. The revised terms of reference of the Nomination and Remuneration Committee are broadly as follows:

- ❖ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ❖ Formulation of criteria for evaluation of Independent Directors and the Board;
- ❖ Devising a policy on Board diversity;
- ❖ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- ❖ Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- ❖ To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- ❖ To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

Composition and Meeting: The Company`s Nomination & Remuneration Committee comprises of three Non-Executive and Independent Directors. Mr. Dinesh Kumar Govil has been appointed as Chairman of the said Committee w.e.f 31st March, 2019. During the year the composition of Nomination & Remuneration Committee was changed by appointing Mrs. Chanchal Chadha Phadnis as member of the committee w.e.f 01st April, 2018 in place of Mr. Yogesh Mohan Kharbanda who resigned from Board of Directors w.e.f from 31st March, 2018. During the financial year 2018-19 the Committee met 1 (one) time i.e. on 31st March, 2019.

Composition of Nomination & Remuneration Committee and Attendance during F.Y. 2018-19:

Name of the Members	Designation	Number of Meetings held during the Year	No. of Meetings Attended
Mr. Dinesh Kumar Govil	Chairman	1	1
Mrs. Chanchal Chadha Phadnis	Member	1	1
Mr. Arun Kumar Gupta	Member	1	1

Details of Remuneration paid to Directors during F.Y. 2018-19

Name of the Director	Designation	Salary and other allowances	Stock options	Performance Incentive	Total
Dr. Mahavir Prasad Agarwal	Whole-time Director	1,20,00,000	Nil	Nil	1,20,00,000
Mr. Rajat Agrawal	Managing Director	1,20,00,000	Nil	Nil	1,20,00,000
Mr. Yogesh Malhotra#	Whole-time Director	15,068	1,397*	7,534**	23,999

*Represent the value of options exercised and regarded as perquisite. However, it does not include the value of unvested options or options vested but not exercised. Mr. Yogesh Malhotra has been issued 32,500 ESOP's on 01st April, 2015 at ₹ 2/- per share i.e. at face value. Further till 31st March, 2019 he has exercised 30% of ESOP's allotted to him and remaining 70% will be exercised in F.Y. 2019-20.

** PAT Incentive/Performance Incentive is subject to Performance and Target Achievement.

Appointed w.e.f 31st March, 2019 therefore the remuneration of one day i.e. of 31st March, 2019 is disclosed in this report.

Notes:

a) The Company does not have any pecuniary relationship with any Non-Executive Independent Director except for reimbursement of traveling expenses to the Directors for attending Board Meeting. No sitting fee is paid for attending the meetings of Board/Committees of Directors.

b) None of the Non-executive Directors of the company have any equity shares of the Company.

c) The company has issued memorandum of terms and conditions of appointment including remuneration to Managing Director and Whole-time Director of the Company.

d) The appointment of Mr. Rajat Agrawal and Dr. Mahavir Prasad Agarwal is for a period of 3 years from the date of their respective appointment and notice period is as per rules of the company. Further except Gratuity and Leave encashment no other severance fees is payable.

Criteria for evaluation of Independent Director and the Board:

Following are the criteria for evaluation of performance of Directors:

Executive Director: The Executive Directors shall be evaluated on the basis of targets / criteria given to Executive Directors by the Board from time to time.

Non-Executive/ Independent Director: The Non-Executive / Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

a) Act objectively and constructively while exercising their duties;

b) Exercise their responsibilities in a bona fide manner in the interest of the Company;

c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;

d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

e) Refrain from any action that would lead to loss of his independence;

f) Inform the Board immediately when they lose their independence;

g) Assist the Company in implementing the best corporate governance practices;

h) Strive to attend all meetings of the Board of Directors and the Committees;

i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;

j) Strive to attend the General Meetings of the Company;

k) Keep themselves well informed about the Company and the external environment in which it operates;

l) Do not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;

n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

Remuneration Policy

The remuneration paid to Executive Directors is recommended by Nomination & Remuneration Committee and approved by Board in Board Meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company. During the year under review the Remuneration Policy of the Company was reviewed and amended on 31st March, 2019 and it can be accessed through web link: **http://www.gravitaindia.com/wp-content/uploads/pdf/nomination-remuneration-policy.pdf**

- **Remuneration to the Whole-time Director/ Managing Director:**

  The Whole-time Director/Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus, and quantum of perquisites including Employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders.

- **Remuneration to Non- Executive/ Independent Director:**

  Sitting Fees:

  The Non-executive/ Independent Directors of the Company may be paid sitting fees, if any, as per the applicable Regulations and no sitting fee shall be paid to Executive Directors. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

  Profit Linked Commission:

  The profit –linked commission shall be paid within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per applicable provisions of the Regulations.

Stock Options:

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.

- **Remuneration to Senior Management Personnel, Key Managerial Personnel and Other Employees:**

  The Senior Management Personnel, Key Managerial Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/ or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including Employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

- **Minimum Remuneration:**

  If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Act, and if it is not able to comply with such provisions, with the prior approval of the Central Government.

- **Provisions for excess remuneration:**

  If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholders'/ investors' complaints with respect to transfer of shares, non-receipt of Annual Report, non-receipt of dividend etc. As on 31st March, 2019, the Committee comprises of three Directors viz. Mr. Dinesh Kumar Govil, Dr. Mahavir Prasad Agarwal and Mr. Rajat Agrawal.

No. of Meetings

During the year under review 2 (Two) Meeting of Stakeholders' Relationship Committee was held i.e. on 14th November, 2018 and 07th February, 2019

Meeting of Stakeholder Relationship Committee and Attendance during F.Y. 2018-19:

Name of the Member	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Chairman	2	2
Dr. Mahavir Prasad Agarwal	Member	2	2
Mr. Rajat Agrawal	Member	2	2

The Board of Directors at their meeting held on 31st March, 2019 has made changes in terms of reference of Stakeholders' Relationship Committee so as to company with SEBI (LODR) (Amendment) Regulations, 2018. The revised terms of reference of the Stakeholders' Relationship Committee are broadly as follows:

❖ Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

❖ Review of measures taken for effective exercise of voting rights by shareholders;

❖ Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

❖ Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by The shareholders of the company.

Further before the above changes the terms of reference i.e. till 31st March, 2019 of Stakeholders' Relationship Committee were as under:

❖ To consider and review shareholders'/ investors' grievances and complaints and ensure that all shareholders'/ investors' grievances and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments;

❖ To approve and register transfers and transmission of Equity Shares;

❖ To Sub Divide, Consolidate and /or replace any Share Certificate of the Company;

❖ To authorize affixation of Common Seal of the Company to share certificates;

❖ To do all other acts and deeds as may be necessary or incidental to the above.

Compliance Officer: Mr. Nitin Gupta is appointed as Compliance Officer and Company Secretary of the Company for complying with the requirements of Security Laws and the SEBI (LODR), Regulations, 2015 with the Stock Exchanges in India.

Status of Investor Complaints: The Company received 60 (Sixty) complaints from investors which were resolved well in stipulated time by the Company and there were no complaints pending with the company or its Share Transfer Agents as on 31st March, 2019.

Compensation Committee

The Compensation Committee of the company comprises of three Non-Executive Directors. The Chairman of Compensation Committee is Mr. Dinesh Kumar Govil. The Compensation Committee administers the Employee Stock Option Plans and Stock Appreciation Right Scheme of the Company and determines eligibility of employees for Stock Options and Stock Appreciation rights. As on 31st March, 2019 the committee comprises of following directors Mr. Dinesh Kumar Govil, Mrs. Chanchal Chadha Phadnis and Mr. Arun Kumar Gupta. During the year the composition of Compensation Committee was changed by appointing Mr. Arun Kumar Gupta as member of the committee w.e.f 01st April, 2018 in place of Mr. Yogesh Mohan Kharbanda who resigned from Board of Directors w.e.f from 31st March, 2018.

No. of Meetings: The Committee met 2(two) times during the F.Y. 2018–19 on 26th April, 2018 and 31st March, 2019 respectively.

Meetings of Compensation Committee and Attendance during F.Y. 2018-19:

Name of the Member	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Chairman	2	2
Mrs. Chanchal Chadha Phadnis	Member	2	2
Mr. Arun Kumar Gupta	Member	2	2

Investment Committee:

The Company has an Investment Committee comprising of three Directors viz., Mr. Rajat Agrawal, Dr. Mahavir Prasad Agarwal and Mr. Dinesh Kumar Govil. The committee has no designated chairman.

No. of Meetings: During the year under review no Meeting of investment Committee took place.

Terms of Reference

- ❖ To make decisions about investments to be made by the Company in various overseas ventures whether by way of Equity or Capitalization of Exports or by way of loan;
- ❖ To make decisions about investments to be made by the Company in shares, stocks, units of mutual funds, subscription to public issues of other companies etc.; and
- ❖ To make decisions about disinvestments/ alienation/ sale/ transfer/ gift or pledge of any of the investments made in clause mentioned above which the Committee may consider most beneficial in the interest of the Company.

Corporate Social Responsibility Committee

In terms of the requirement of Section 135 of Companies Act 2013 and Rules made thereunder, the Company has constituted the Corporate Social Responsibility Committee ("CSR Committee") comprising of three Directors; amongst them, Dr. Mahavir Prasad Agarwal and Mr. Rajat Agrawal are executive directors and the Chairman of the Committee Mr. Dinesh Kumar Govil, is a Non-executive Independent Director. During the year the composition of CSR Committee was changed by appointing Mr. Dinesh Kumar Govil as Chairman of the committee w.e.f 01st April, 2018 in place of Mr. Yogesh Mohan Kharbanda who resigned from Board of Directors w.e.f from 31st March, 2018.

No. of Meetings: The Committee met 2 (two) times during the F.Y. 2018–19 on 12th July, 2018 and 31st March, 2019 respectively.

Composition of Corporate Social Responsibility Committee and Attendance:

Name of the Member	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Chairman	2	2
Mr. Rajat Agrawal	Member	2	1
Dr. Mahavir Prasad Agarwal	Member	2	2

Terms of Reference

- ❖ To formulate the Corporate Social Responsibility policy of the company which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Act;
- ❖ To recommend the expenditure that can be incurred for this purpose;
- ❖ To monitor CSR policy of the company from time to time;
- ❖ To prepare a transparent monitoring mechanism for ensuring implementation of the projects / programs / activities proposed to be undertaken by the Company;
- ❖ To ensure that all kind of income accrued to the Company by way of CSR activities should be credited back to the community or CSR corpus.

Finance & Risk Management Committee

The Company has a Finance & Risk Management Committee comprising of three directors viz. Mr. Rajat Agrawal, Dr. Mahavir Prasad Agarwal and Mr. Dinesh Kumar Govil.

No. of Meetings: The Committee met 5 (Five) times during the F.Y. 2018-19 on:

14th June, 2018

17th August, 2018

25th October, 2018

13th December, 2018

29th January, 2019

Meetings of Finance & Risk Management Committee and Attendance during F.Y. 2018-19:

Name of the Member	Designation	No. of Meetings held during the year	Meetings Attended
Mr. Rajat Agrawal	Member	5	4
Dr. Mahavir Prasad Agarwal	Member	5	5
Mr. Dinesh Kumar Govil	Member	5	5

Terms of Reference

- ❖ To approve Short-Term and Long-Term borrowings from Banks, Financial Institutions, Bodies Corporates, etc. for the business purposes of the Company.
- ❖ To approve opening and closing of various types of bank accounts including approval for availing net banking facilities from various banks.
- ❖ To approve change in authority with respect to Bank Accounts of the Company maintained with various Banks.
- ❖ To approve policy for the management of foreign exchange risk, interest rate risk and refinancing risk.
- ❖ To approve policy for the hedging of Commodity Price and Foreign Currency.
- ❖ To approve the granting of guarantees, indemnities, securities in favour of Subsidiaries/ Associates/ Partnership firms of the company and otherwise, subject to the requirement that all such actions are subsequently reported to the Board.

General Body Meetings

The details of General Meetings held in the last three years are given below:

S.No.	AGM	Date	Time	Venue	No. of Special Resolutions passed
1.	24th AGM	06.08.2016	11:00 A.M.	"Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura, Tehsil- Phagi, Jaipur-303904	1
2.	25th AGM	08.08.2017	11:00 A.M.	"Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura, Tehsil- Phagi, Jaipur-303904	3
3.	26th AGM	01.09.2018	11:00 A.M.	"Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura, Tehsil- Phagi, Jaipur-303904	3

- No Extra-Ordinary General Meeting of the Shareholders was held during the year.
- No Business was transacted by way of Postal ballot during the year.
- None of the businesses proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

Proposed Resolution to be passed by way of conducting the Postal Ballot:

During F.Y. 2019-20, pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Special Resolutions are proposed to be passed on 15th June, 2019 by way of Postal Ballot:

(a) Special Resolution for Re-appointment of Mr. Dinesh Kumar Govil (DIN: 02402409) as an Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years.

(b) Special Resolution for Re-appointment of Mr. Arun Kumar Gupta (DIN: 02749451) as an Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years.

Pledge of Shares: No Pledge has been created over the Equity Shares held by the Promoters and/or Promoter Group Shareholders during the Financial Year ended 31st March, 2019.

Review of Legal Compliance Reports: Alike the previous years, the Board, during the year, periodically reviewed the reports placed by the management with respect to adherence and compliance with various laws and regulations applicable to the Company. The Internal Auditors also reviewed the compliance status of the Company within their terms of reference and reported to the Audit Committee accordingly.

Certificate from Company Secretary in Practice: The company has obtained a certificate from Mr. Pradeep Pincha, Practicing Company Secretary confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority as on 31st March, 2019 and the same is attached to this Report

Disclosures:

Financial Statements/ Accounting Treatments: In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

Materially Significant Related Party Transactions: There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interests of the Company.

Disclosure on Risk Management: The Board is periodically informed about the key risks and their minimization procedures. Business risk evaluation and management is an ongoing process within the Company.

Details of non-compliance with regard to the capital market: There have been no instances of non-compliance by the Company and no penalties and/ or strictures have been imposed on it by Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets during the last three years.

Familiarization Programme: The Company has Familiarization Program for Independent Directors to familiarize them with regard to their roles, rights, responsibilities in the Company, along with industry, business operations, business model, code of conduct and policies of the Company etc. The Familiarization Program has been disclosed on the website of the Company. The company's policy on familiarization programme is available on following web link: **http://www.gravitaindia.com/wp-content/uploads/pdf/familarization-programme.pdf.**

CEO and CFO Certification: The certificate required under Regulation 17 (8) of SEBI (LODR) Regulations, 2015 duly signed by the Managing Director, CEO and CFO was placed before the Board and the same is also provided with this report.

Compliance with the mandatory requirements of Corporate Governance as per SEBI (LODR) Regulations, 2015: During the year, the Company has complied with all applicable mandatory corporate governance requirements of the Listing

Regulations. Specifically, Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.

Certificate of compliance of Corporate Governance: The Company has obtained a certificate affirming the compliances of Corporate Governance from M/s P. Pincha & Associates, Practicing Company Secretaries, Jaipur and the same is attached to this Report.

Web link for Policies: The Policies adopted by company can be accessed by following web link:

For Policy on determining Material Subsidiaries: **http://www.gravitaindia.com/wp-content/uploads/pdf/material-subsidiaries-policy.pdf**

For Policy on Related Party Transactions: **http://www.gravitaindia.com/wp-content/uploads/pdf/rpt-policy.pdf**

Whistle Blower Policy: The Audit Committee of the Board is committed to ensure fraud-free work environment and for that purpose the Committee has laid down a Whistle Blower Policy providing a platform to all its stakeholders including employees and auditors, regulatory agencies and customers of the Company to report any suspected or confirmed incident of fraud/misconduct through any of the following reporting protocols:

- **Name of Vigilance Officer:** Mr. Nitin Gupta
- **E-mail:** whistleblower@gravitaindia.com
- **Written Communication to:** Vigilance officer- Gravita India Whistle Blower Policy, A-27 B, Gravita Tower, Shanti Path, Tilak Nagar, Jaipur- 302004

During the year, no one has been denied access to the audit committee. The Policy is also available at website of the Company (**www.gravitaindia.com**).

Means of Communication

Financial Results

- Pursuant to Regulation 33 (4) of SEBI (LODR) Regulations, 2015, the Company has regularly furnished, by way of online electronic uploading on NEAPS and BSE Listing Centre the quarterly/half-yearly/annual audited results to both the Stock exchanges i.e. BSE & NSE within the timelines prescribed by SEBI in this regard.
- The quarterly, half-yearly and annual results are published in 'Economic Times' / 'Financial Express'/ 'Business Standard'/ 'Mint' in English, 'Gujarat Samachar' in Gujrati and in 'NafaNuksan'/ 'Business Remedies' (Vernacular) in Hindi. Further the same are also available on website of the company (www.gravitaindia.com)
- The quarterly/ half-yearly Results are not sent individually to the Shareholders.

Website & Newsletter

- The Company's website **www.gravitaindia.com** contains a dedicated functional segment called 'Investors Information' (**http://www.gravitaindia.com/investors)** where all the information needed by the shareholders is available, including the Corporate Governance Report, Shareholding Patterns, Financial Results, Intimations sent to exchanges and Annual Reports.

News Releases, Presentations, etc.

- The price sensitive information's, if any, are immediately informed to the Stock Exchange(s) before the same is communicated to general public through press releases.
- Official news releases and Official Media Releases are sent to the Stock Exchanges regularly.
- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for Corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, etc. are filed electronically on NEAPS.
- **BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, etc. are filed electronically on the Listing Centre.
- **SEBI Online Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- Presentations made by the company to Institutional Investors or to the analysts are also being disclosed to the stock exchanges and are uploaded on website of the company which can be accessed via following link: **https://www.gravitaindia.com/wp-content/uploads/pdf/investors-presentation.pdf**

Management Discussion and Analysis Report

The Management Discussion and Analysis Report form part of the Annual Report of Financial Year 2018-19. All matters pertaining to industry structure and developments, opportunities and threats, segment/ product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

General Shareholder Information:

a) Annual General Meeting

Day and Date	Friday, 20th September, 2019
Venue	Saurabh, Chittora Road, Harsulia Mod, Diggi Malpura Road, Tehsil-Phagi, Jaipur- 303904 (Rajasthan)
Time	11.00 a.m.
Financial Year	2018-19
Book Closure Dates	Friday, 13th September, 2019 to Friday, 20th September, 2019 (both days inclusive)
Rate of Dividend	15%
Date of Payment	Between Wednesday, 25th September, 2019 to Saturday, 19th October, 2019

b) Tentative Financial Calendar (For FY 2019-20)

The tentative schedule of Financial Results of the Company is as follows:

June Quarter Ending Results (Limited Reviewed)	Within 45 days from end of quarter
September Quarter Ending Results (Limited Reviewed)	Within 45 days from end of quarter
December Quarter Ending Results (Limited Reviewed)	Within 45 days from end of quarter
March Quarter/ Year Ending Results (Audited)	Within 60 days from end of financial year

c) Listing at Stock Exchanges

The Company's shares are presently listed on BSE Ltd and National Stock Exchange of India Ltd (NSE). The Company has paid Listing fees to BSE & NSE for the financial year 2019-20. The address details of Stock exchanges are as under:

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001 Fax No.: 022-22722041	The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra- Kurla Complex, Bandra(east) Mumbai- 400 051 Fax No.: 022-26598237/38

d) Stock Code

Stock Code for the Equity Shares of the Company at the respective Stock Exchanges is as under:

BSE Ltd : 533282

National Stock Exchange of India Ltd. : GRAVITA

e) Stock Market Data

i. Market price data for the Financial Year 2018-19:

Year and Month	BSE			NSE		
	High (Rs)	Low (Rs)	Volume in '000 (in No.)	High (Rs)	Low (Rs)	Volume in '000 (In No)
April 2018	**205.00**	156.20	997.136	**204.90**	155.85	6745.346
May 2018	199.00	157.85	528.584	199.60	157.40	3289.996

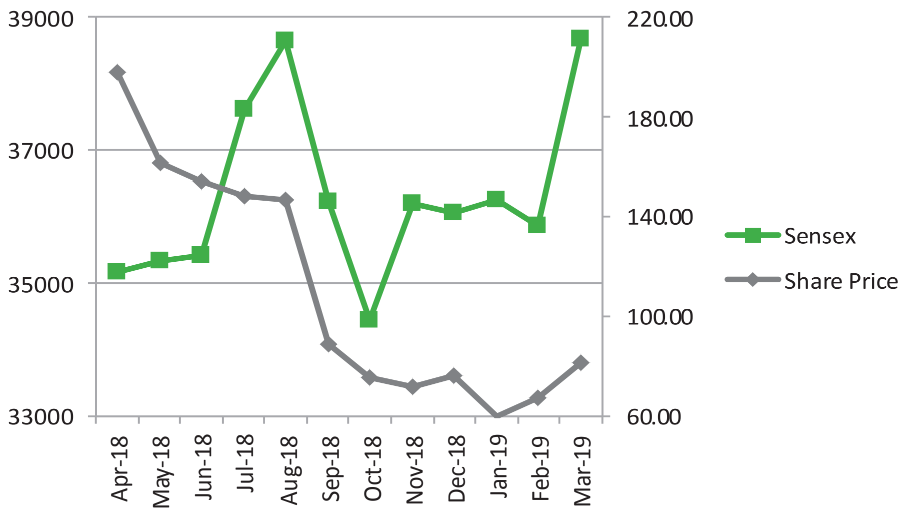
Financial Statements

Statutory Reports

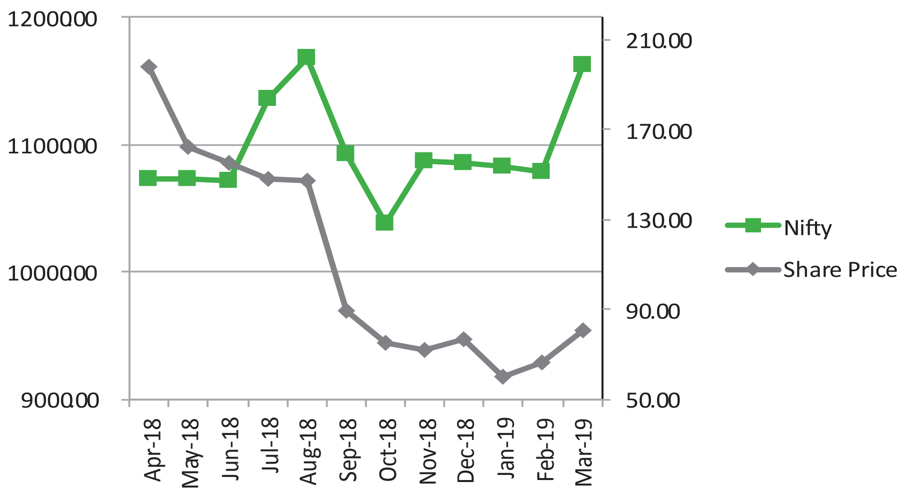
Corporate Overview

June 2018	173.50	139.00	559.919	174.00	138.10	4288.233
July 2018	159.80	145.00	169.22	160.00	144.85	1427.585
Aug 2018	157.95	139.95	334.65	158.50	139.85	3173.873
Sept 2018	146.25	88.00	381.128	148.30	87.00	3422.940
Oct 2018	88.80	**57.90**	313.937	92.00	**57.55**	2878.069
Nov 2018	79.10	68.50	65.383	78.85	67.10	650.190
Dec 2018	80.00	70.00	50.926	81.00	70.25	536.350
Jan 2019	78.15	59.60	57.213	76.85	59.80	546.267
Feb 2019	69.00	58.00	87.001	70.95	57.65	689.470
March 2019	88.85	65.00	151.374	88.00	64.25	1285.622

ii. Performance of the Company's Share Price vis-à-vis BSE Sensex during the year 2018-19:



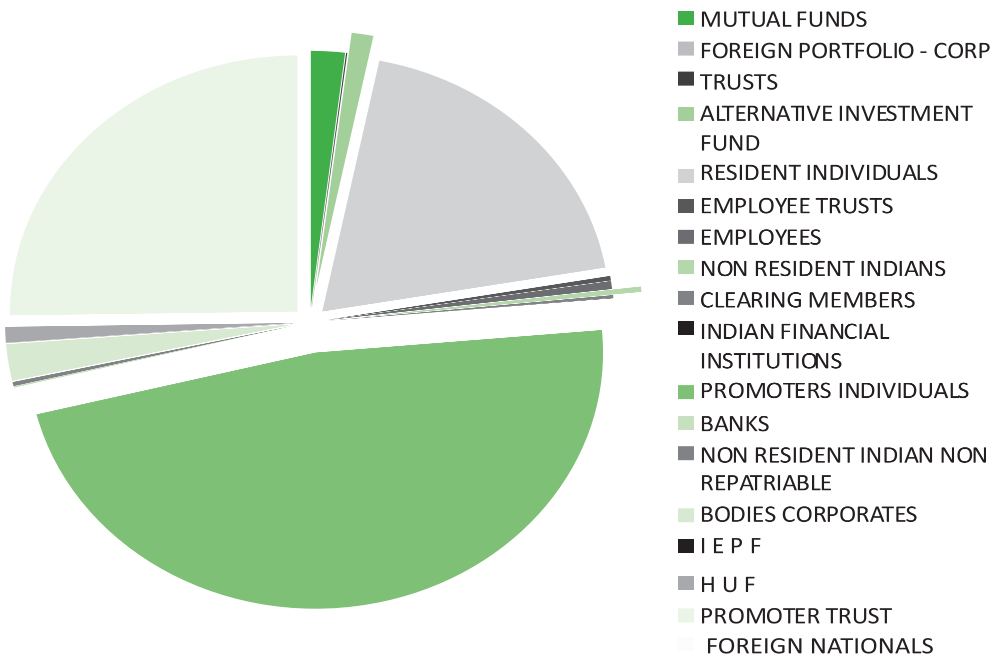
iii. Performance of the Company's Share Price vis-à-vis NSE Nifty during the year 2018-19:



f) Shareholding Pattern as on 31st March, 2019

Category	No. of Shares	%age
Mutual Funds	1308268	1.90
Foreign Portfolio - Corp	1474	Negligible
Trusts	39733	0.06
Alternative Investment Fund	843315	1.23
Resident Individuals	13106989	19.07
Employee Trusts	199992	0.29

Employees	348473	0.51
Non Resident Indians	232237	0.34
Clearing Members	121110	0.18
Indian Financial Institutions	15573	0.02
Promoters Individuals	32677725	47.53
Banks	60764	0.09
Non Resident Indian Non-Repatriable	177011	0.26
Bodies Corporates	1584003	2.30
I E P F	254	Negligible
H U F	679493	0.99
Promoter Trust	17348025	25.23
Foreign Nationals	2275	0.00
Grand Total	**68746714**	**100.00**



g) Distribution Schedule as on 31st March, 2019

Nominal Value of Each Equity Share is ₹ 2/-

No. of Equity Shares Held	No. of Share Holders	% of Share holders	No. of Shares	Amount (In Rs.)	% of Total Shares
1-5000	16315	95.66	4788719	9577438.00	6.97
5001- 10000	417	2.45	1526008	3052016.00	2.22
10001- 20000	179	1.05	1302179	2604358.00	1.89
20001- 30000	42	0.25	500768	1001536.00	0.73
30001- 40000	21	0.12	366923	733846.00	0.53
40001- 50000	16	0.09	365919	731838.00	0.53
50001- 100000	31	0.18	1076035	2152070.00	1.57
100001& Above	34	0.20	58820163	117640326.00	85.56
TOTAL	**17055**	**100.00**	**68746714**	**137493428.00**	**100.00**

h) Corporate Identity Number (CIN)

The Company is registered with the Registrar of Companies, Jaipur, Rajasthan. The CIN allotted to the Company by the Ministry of Corporate Affairs is L29308RJ1992PLC006870.

i) Subsidiary Companies

As per definition defined under SEBI (LODR) regulations, 2015, the Company does not have any material Subsidiary, whose Income or Net worth exceeds 20% of the Consolidated income or Net Worth respectively of the Company and its subsidiaries in the immediately preceding accounting year. Further as per amendment in definition of Material Subsidiary inserted by SEBI (LODR) (Amendment) Regulations, 2018 in which limit of 20% of Consolidated income or Net Worth has been revised to 10% w.e.f 01st April, 2019, there are below mentioned subsidiaries of the company which fall under the criteria of material subsidiary:

- Gravita Netherlands BV
- Gravita Mozambique LDA

j) Discretionary requirements Part E of schedule II

On discretionary basis, the company has adopted clause C, D and E as mentioned in **Part E of schedule II.**

k) Reconciliation of Share Capital Audit

A Qualified Practicing Company Secretary carried out the Quarterly Reconciliation of Share Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) of the total issued and listed Equity Share Capital. The Report on Reconciliation of Share Capital confirms that the total issued/ paid up capital of the Company admitted with depositories is in agreement with the capital of the Company listed with the Stock Exchanges. Further none of the shares of the company are lying in suspense account as on 31st March, 2019.

l) Share Transfer System

The Share transfer documents complete in all respects are registered and/ or share transfers under objections are returned within stipulated time period.

m) Dematerialization of Shares and Liquidity

The Shares of Company are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 99.99% of the Company's Equity Share Capital are dematerialized as on 31st March, 2019 and the promoters holding of 72.77% is completely held in the dematerialized form as on 31st March, 2019. The Company's Equity Shares are regularly traded on the Bombay Stock Exchange and National Stock Exchange in dematerialized form. Under the Depository system, the International Security Identification Number (ISIN) allotted to the Company's shares is **INE024L01027.**

n) Green Initiative In Corporate Governance

As per the MCA Circular Nos. 17/2011 dated April 21, 2011 & 18/ 2011 dated April 29, 2011, Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving notices, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company. **As a responsible citizen, your Company strongly urge our shareholders to support the Green Initiative by giving positive consent by registering/ updating your email addresses with your respective Depository Participants or the Registrar and Transfer Agents of the Company, KARVY FINTECH PRIVATE LIMITED for the purpose of receiving soft copies of various communications including the Annuatl Report.**

o) Outstanding GDRs/ADRs/Warrants or Any Convertible Instruments

The Company has not issued GDRs/ADRs/Warrants or any other instruments which is convertible into Equity Shares of the Company during 2018-19.

p) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Please refer to Management Discussion and Analysis Report for the same.

q) Address for Correspondence

Shareholder's correspondence should be addressed to the Company's RTA at the address mentioned below:

Registrar and Share Transfer Agents

Mrs. Shobha Anand

Karvy Fintech Pvt Ltd

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

Phone No. 040-67162222

Email: **einward.ris@karvy.com**

Web site: **www.karvy.com**

For any further assistance, the Shareholders may Contact:

Company's Corporate Office

Company Secretary

Gravita India Limited

402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar,

Jaipur – 302 004, Rajasthan, India

Tel. 0141-2623266

Email:companysecretary@gravitaindia.com

Web Site: **www.gravitaindia.com**

Registered Office

Gravita India Limited

'Saurabh', Chittora Road, Harsulia Mod, Diggi – Malpura Road,

Tehsil – Phagi, Jaipur – 303 904, Rajasthan, India

Tel. 09928070682

In Compliance of Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has designated exclusive Email ID for redressal of Investor Grievances i.e. **companysecretary@gravitaindia.com**

r) **During the financial year**, there have been no instances where the Board of Directors of the Company has not accepted a recommendation of any committee of the Board which is mandatory in nature.

s) **Details of fees paid by the company and its subsidiaries to its Statutory Auditors:**

During F.Y. 2018-19 the company has paid following fees to its Statutory Auditors

(₹ In Lacs)

S.No	Particulars	Amount Paid in F.Y. 18-19
1	Statutory Audit fees	31.00
2	Fees paid for Statutory Auditor Certificates under FEMA and SEBI (Employee Based Share Benefit Regulations), 2014	0.70
3	Reimbursement of Expenses	3.59
	Total	**35.29**

Apart from above nothing is paid by any subsidiary of the company to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

t) **Plant Locations:**

i. 'Saurabh', Chittora Road, Harsulia Mod, Diggi – Malpura Road, Tehsil – Phagi, Jaipur –303 904, Rajasthan, India.

ii. Plot No. 322, Mithirohar Industrial Estate, Mithirohar, Taluka Gandhidham, Gujarat.

iii. Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil Sanganer, Distt. Jaipur.

iv. Survey No. 233/15 to 233/30, Thiruthani Road, Ananthapuram- Panchayat Narasingarayani Pettah Post Chittoor, Andhra Pradesh.

DECLARATION regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

We, Rajat Agrawal, Managing Director and Naveen Prakash Sharma, President & CEO of Gravita India Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company, applicable to them as laid down by the Board of Directors in terms of Schedule V of SEBI (LODR) Regulations, 2015, for the year ended 31st March 2019.

For Gravita India Limited

Date: 06th April, 2019 Place: Jaipur	**Rajat Agrawal** (Managing Director) DIN: 00855284	**Naveen Prakash Sharma** (CEO)

CEO/CFO Certification

Date: 28th May, 2019

To

The Board of Directors
Gravita India Limited
Jaipur

We, Rajat Agrawal, Managing Director, Naveen Prakash Sharma, CEO and Sunil Kansal, CFO of the Company, hereby certify to the Board that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March,2019 and that to the best of our knowledge and belief:

    1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    2. These statements together present a true a 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 into 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:

    1. Significant changes in internal control over financial reporting during the year;
    2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

For Gravita India Limited	For Gravita India Limited	For Gravita India Limited
Rajat Agrawal	**Naveen Prakash Sharma**	**Sunil Kansal**
(Managing Director)	(Chief Executive Officer)	(Chief Financial Officer)

Corporate Governance Compliance Certificate

To

The Members,

Gravita India Limited

We have examined the compliance of conditions of Corporate Governance by Gravita India Limited, for the year ended on 31st March 2019, as stipulated in applicable provisions of securities and exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified under the applicable provisions of Listing Regulations.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P. Pincha & Associates**
Company Secretaries

Pradeep Pincha
Proprietor
M. No. FCS 5369
C. P. No.:4426

Place: Jaipur
Date: 25th May, 2019

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
Gravita India Limited
Saurabh', Harsulia Mod, P.O. Harsulia,
Diggi-Malpura Road Phagi, Rajasthan-303904

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gravita India Limited having CIN L29308RJ1992PLC006870 and having registered office at Saurabh', Harsulia Mod, P.O. Harsulia, Diggi-Malpura Road Phagi, Rajasthan-303904 (hereinafter referred to as 'the Company'), produced before 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, representations 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, 2019 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:

S. No.	Name of Director	DIN	Date of appointment in the Company
1.	Dr. Mahavir Prasad Agarwal	00188179	27/03/2007
2.	Mr. Rajat Agrawal	00855284	04/08/1992
3.	Mr. Dinesh Kumar Govil	02402409	30/06/2009
4.	Mr. Arun Kumar Gupta	02749451	11/08/2009
5.	Mr. Yogesh Malhotra	05332393	31/03/2019
6.	Mr. Chanchal Chadha Phadnis	07133840	24/03/2015

Ensuring the eligibility of 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.

For **P. Pincha & Associates**

Company Secretaries

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Place: Jaipur
Date: 25th May, 2019

Independent Auditor's Report

To

The Members of

Gravita India Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Gravita India Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the partnership firms referred to in the Other Matter section below, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Responsibility for the Audit of the Standalone 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 standalone 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. no.	Key Audit Matter	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The Company has adopted Ind AS 115 Revenue from Contracts with Customers. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of the revenue recognised. Refer note 1.2 "Significant Accounting Policies" and note 23 "Revenue from operations" to the Standalone Financial Statements.	Our audit procedures included, obtaining an understanding of the Company's process of assessment around the impact of adoption of the new revenue accounting standard relating to the accounting for customer contracts; We evaluated design and implementation of internal controls, and tested the operating effectiveness of the internal controls around: • Implementation of the new revenue accounting standard; • Assessment of customer contracts and identification of the distinct performance obligations and determination of transaction price and allocation of transaction price over performance obligation. We examined and assessed the revised accounting policies of the Company in recognition of revenue upon adoption of the new revenue accounting standard, in light of the industry specific circumstances and our understanding of the business; We tested a sample of revenue contracts and identified distinct performance obligations including any variable considerations, in these contracts and further compared those performance obligation with that identified and recorded by the Company. Furthermore, we considered the terms of the contracts to validate the transaction price used by the Company and to assess the appropriateness of the revenue recognised.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the standalone financial statements, consolidated financial statement and our auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Management Discussion and Analysis, Director's Report and Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information

Management's Responsibility 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 standalone financial statement 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 Responsibility 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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

Other Matter

The standalone financial statements includes the Company's share of net profit of ₹146.58 lacs for the year ended March 31, 2019 in respect of 4 partnership firms, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these partnership firms, is based solely on the reports of the other auditors.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. 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 Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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

e). On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g). With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 17 to the standalone financial statements.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)

Place: Jaipur
Date: May 28, 2019

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Gravita India Limited ("the Company") as of March 31, 2019 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". 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the criteria for internal financial control over financial reporting 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".

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)

Place: Jaipur
Date: May 28, 2019

Annexure "B" to the Independent Auditor's Report

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land, are held in the name of the Company as at the balance sheet date. Immovable properties of freehold land disclosed as fixed assets in the financial statement whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmation received by us from lenders.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) There are no dues of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax and cess which have not been deposited as on March 31, 2019 on account of disputes. Details of dues of Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved* (₹ in lacs)	Amount Unpaid (₹ in lacs)
The Rajasthan Value Added Tax Act, 2003	Value Added Tax	Appellate Authority upto Commissioners' level	2011-2013, 2015-2016	89.54	83.06
The Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	2010-2015	53.09	49.11
The Central Excise Act, 1944	Excise Duty	Appellate Authority upto Commissioners' level	2013-2014, 2015-16	58.23	58.23
The Customs Act, 1962	Custom Duty	Appellate Authority upto Commissioners' level	2011-2015	98.45	91.07
The Integrated Goods and Services Tax Act, 2017, The Central Goods and Services tax Act, 2017 and The Rajasthan Goods and Services Tax Act, 2017	Goods and Services Tax	Appellate Authority upto Commissioners' level	2017-2018	30.92	30.29

* Amount as per demand orders including interest and penalty wherever quantified in the order

^ Net of amount paid under protest of ₹ 18.38 lacs.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions. The Company has not taken any loan or borrowing from government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised amount by way of further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or Directors of its subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)

Place: Jaipur
Date: May 28, 2019

Balance Sheet as at March 31, 2019

(₹ in lacs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	2	10,620.46	8,117.87
(b) Capital work-in-progress	3	943.19	1,445.93
(c) Other Intangible assets	4	92.94	122.84
(d) Financial Assets			
(i) Investments	5	1,430.34	1,430.34
(ii) Loans	14 (a)	596.29	480.52
(iii) Others	7(a)	1.26	1.26
(e) Tax Assets (net)	10 (a)	-	56.34
(f) Other non current assets	8 (a)	507.72	536.75
		14,192.20	**12,191.85**
2 Current assets			
(a) Inventories	11	13,290.00	12,490.40
(b) Financial Assets			
(i) Investments	12	919.93	241.10
(ii) Loans	14 (b)	92.17	97.63
(iii) Trade receivables	6	10,666.70	10,589.78
(iv) Cash and cash equivalents	13 (a)	387.15	169.46
(v) Bank balances other than (iv) above	13 (b)	652.72	733.72
(vi) Others	7(b)	1,035.68	244.82
(c) Current Tax Assets (Net)	10 (b)	59.35	-
(d) Other current assets	8 (b)	7,163.95	3,971.31
		34,267.65	**28,538.22**
Total Assets		**48,459.85**	**40,730.07**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	1,374.93	1,374.09
(b) Other equity		13,565.86	12,212.16
Equity attributable to owners of the Company		**14,940.79**	**13,586.25**
2 Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,227.68	1,461.59
(b) Provisions	18 (a)	260.64	207.49
(c) Deferred tax Liabilities (net)	9	126.06	83.64
		1,614.38	**1,752.72**
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	19,485.74	18,558.11
(ii) Trade payables			
Total Outstanding dues to Micro and Small enterprises	21	72.18	-
Total Outstanding dues to parties other than Micro and Small enterprises	21	10,712.51	5,580.88
(iii) Other financial liabilities	17	936.55	779.98
(b) Other current liabilities	19	496.97	250.79
(c) Provisions	18 (b)	35.44	31.82
(d) Current tax Liabilities (net)	22	165.29	189.52
		31,904.68	**25,391.10**
		33,519.06	**27,143.82**
Total Equity and Liabilities		**48,459.85**	**40,730.07**

See accompanying notes to the financial statements 1 to 47

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No: 094468

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place : Jaipur
Date : May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Statement of Profit and Loss

for the year ended March 31, 2019

(₹ in lacs)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Income:**			
	Revenue from operations	23	105,935.55	79,657.08
	Other income	24	1,212.58	133.44
	Total income (I)		**107,148.13**	**79,790.52**
II	**Expenses:**			
	(a) Cost of materials consumed	25	85,071.12	63,882.34
	(b) Excise duty		-	963.00
	(c) Purchases of Stock-in-trade	26	6,817.56	6,330.33
	(d) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	27	1,438.50	(4,179.30)
	(e) Employee benefits expense	28	4,496.99	3,563.73
	(f) Finance costs	29	2,080.62	1,597.60
	(g) Depreciation and amortisation expense	30	683.52	487.82
	(h) Other expenses	31	4,150.07	3,517.25
	Total Expenses (II)		**104,738.38**	**76,162.77**
III	**Profit before tax (I - II)**		**2,409.75**	**3,627.75**
IV	**Tax expense:**			
	(a) Current tax	32(a)	440.69	707.59
	(b) Deferred tax charge	32(b)	73.77	373.92
			514.46	**1,081.51**
V	**Profit for the year (III - IV)**		**1,895.29**	**2,546.24**
VI	**Other comprehensive income (OCI)**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		(3.63)	(31.65)
	Income tax relating to items that will not be reclassified to profit or loss	32(c)	1.27	10.95
	(b) Items that may be reclassified to profit or loss			
	Change in fair value of hedging instruments		0.73	-
	Income tax relating to items that may be reclassified to profit or loss	32(c)	(0.26)	-
	Total other comprehensive income		**(1.89)**	**(20.70)**
VII	**Total comprehensive income for the year (VI + VII)**		**1,893.40**	**2,525.54**
VIII	**Earnings per share (of ₹ 2 each):**			
	Basic	37	2.76	3.71
	Diluted	37	2.75	3.69

See accompanying notes to the financial statements 1 to 47

In terms of our report attached.
For Deloitte Haskins & Sells
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For and on behalf of the Board of Directors

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Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place : Jaipur
Date : May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Cash Flow Statement

for the year ended March 31, 2019

(₹ in lacs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit after tax		**1,895.29**		**2,546.24**
Adjustments for :				
Depreciation and amortisation	683.52		487.82	
Income taxes expenses	514.46		1,081.51	
Lease hold land amortisation	5.22		5.22	
Loss on sale/discard of property, plant and equipments	28.57		25.86	
Finance Cost	2,080.62		1,597.60	
Government grant	(929.28)		-	
Corporate guarantee expenses	23.67		-	
Interest income on deposits	(36.07)		(41.10)	
Interest income on Income Tax Refund	(2.99)		(10.48)	
Interest income on loans and advances and others	(59.92)		(33.48)	
Income from financial guarantee contracts	-		(20.49)	
Expenditure on Share-based payments to employees	40.48		30.02	
Dividend Income	(636.09)		-	
Liabilities written back	(43.36)		-	
Written off/provision for doubtful trade receivables, loans and advances	163.26		77.69	
		1,832.09		**3,200.17**
Operating profit before working capital changes		**3,727.38**		**5,746.41**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(799.60)		(3,924.77)	
Trade receivables	(743.52)		(4,595.84)	
Other non-current assets	20.45		1.92	
Other current financials assets	(154.77)		(244.82)	
Long-term loans and advances	387.57		(166.24)	
Short-term loans and advances	5.46		(23.83)	
Other current assets	(2,263.37)		(1,837.21)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	5,247.16		4,192.52	
Other current financials liabilities	1.26		(9.73)	
Other current liabilities	246.18		(130.07)	
Long term and Short term Provisions	53.14		36.44	
		1,999.96		**(6,701.63)**
Cash generated from operations		**5,727.34**		**(955.22)**
Income taxes paid		(498.27)		(843.29)
Net cash flow (used) / from operating activities (A)		**5,229.07**		**(1,798.51)**

Cash Flow Statement [contd.]

for the year ended March 31, 2019

(₹ in lacs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
B. Cash flow from investing activities				
Capital expenditure on fixed assets (adjusted for suppliers payable and capital work-In-progress including capital advances)	(2,715.64)		(2,231.88)	
Proceeds from sale of fixed assets	34.94		49.00	
Movement in Current and Non current investments	(702.50)		1,259.36	
Proceeds from Investment in non-current fixed deposits	-		70.00	
Interest income	98.98		85.06	
Movement in bank balances not considered as cash and cash equivalents	81.00		(267.63)	
Net cash flow from / (used in) investing activities (B)		**(3,203.22)**		**(1,036.09)**
C. Cash flow from financing activities				
Proceeds from issue of equity shares	0.84		4.74	
Proceeds from long-term & Short term borrowings (net)	897.90		4,743.69	
Movement in share application money	-		(2.19)	
Finance cost	(2,126.72)		(1,572.91)	
Dividends paid	(580.18)		(496.15)	
Net cash flow from / (used in) financing activities (C)		**(1,808.16)**		**2,677.18**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**217.69**		**(157.42)**
Cash and cash equivalents at the beginning of the year		169.46		326.88
Cash and cash equivalents at the end of the year		**387.15**		**169.46**

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash flow.

See accompanying notes to the financial statements 1 to 47

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No: 094468

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place : Jaipur
Date : May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Statement of changes in equity

for the year ended March 31, 2019

a. Equity share capital

(₹ in lacs)

Particulars	Amount
Balance as at April 1, 2017	**1,369.35**
Changes in equity share capital during the year	4.74
Balance as at March 31, 2018	**1,374.09**
Changes in equity share capital during the year	0.84
Balance as at March 31, 2019	**1,374.93**

b. Other equity

(₹ in lacs)

Particulars	Other equity						
	Reserves and surplus					Attributable to owners of the parent	Total
	Securities premium[1]	General reserve[2]	Share Options Outstanding account[3]	Retained earning[4]	Effective portion of cash flow hedge[5]		
Balance as at March 31, 2017	**4,110.47**	**517.90**	**89.10**	**5,435.29**	**-**	**10,152.76**	**10,152.76**
1. Profit for the year	-	-	-	2,546.23	-	2,546.23	2,546.23
2. Other comprehensive income for the year, net of income tax	-	-	-	(20.70)	-	(20.70)	(20.70)
Total comprehensive income for the year	**-**	**-**	**-**	**2,525.53**	**-**	**2,525.53**	**2,525.53**
3. Amount transferred from stock option outstanding and premium on exercise of ESOP's	49.11	-	-	-	-	49.11	49.11
4. Gross compensation for options forfeited/ exercised during the year	-	-	(49.11)	-	-	(49.11)	(49.11)
5. Final dividend on equity shares	-	-	-	(412.23)	-	(412.23)	(412.23)
6. Tax on final dividend on equity shares	-	-	-	(83.92)	-	(83.92)	(83.92)
7. Amount transferred to stock options outstanding during the vesting period	-	-	30.02	-	-	30.02	30.02
Balance as at March 31, 2018	**4,159.58**	**517.90**	**70.01**	**7,464.67**	**-**	**12,212.16**	**12,212.16**

Statement of changes in equity [contd.] for the year ended March 31, 2019

Particulars	Other equity						
	Reserves and surplus					Attributable to owners of the parent	Total
	Securities premium(1)	General reserve(2)	Share Options Outstanding account(3)	Retained earning(4)	Effective portion of cash flow hedge(5)		
Balance as at March 31, 2018	**4,159.58**	**517.90**	**70.01**	**7,464.67**	**-**	**12,212.16**	**12,212.16**
1. Profit for the year	-	-	-	1,895.29	-	1,895.29	1,895.29
2. Other comprehensive income for the year, net of income tax	-	-	-	(2.36)	0.47	(1.89)	(1.89)
Total comprehensive income for the year	**-**	**-**	**-**	**1,892.93**	**0.47**	**1,893.40**	**1,893.40**
3. Amount transferred from stock option outstanding and premium on exercise of ESOP's	13.86	-	-	-	-	13.86	13.86
4. Gross compensation for options forfeited/ exercised during the year	-	-	(13.86)	-	-	(13.86)	(13.86)
5. Final dividend on equity shares	-	-	-	(481.24)	-	(481.24)	(481.24)
6. Tax on final dividend on equity shares	-	-	-	(98.94)	-	(98.94)	(98.94)
7. Amount transferred to stock options outstanding during the vesting period	-	-	40.48	-	-	40.48	40.48
Balance as at March 31, 2019	**4,173.44**	**517.90**	**96.63**	**8,777.42**	**0.47**	**13,565.86**	**13,565.86**

1. The Security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.
2. The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.
3. The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 45
4. The amount that can be distributed as dividend by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.
5. For effective portion of cash flow hedge Refer note (1.2)(IX)(b)(ii).

See accompanying notes to the financial statements 1 to 47

In terms of our report attached.

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No: 094468

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place : Jaipur
Date : May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Notes forming part of the Financial Statements

for the year ended March 31, 2019

Note 1 - General Information and Significant Accounting Policies

Note 1.1 - General Information

Gravita India Limited ('The Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).The registered office of the Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Bhuj (Gujarat), and Chittoor (Andhra Pradesh).

The Principal activities of the Company are - Lead processing, Aluminium processing, trade (Lead products and Aluminium Scrap) and dealing in Turn-key Lead Recycling Projects. The Company carry out smelting of Lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. Further, Company has also entered in the PET product manufacturing.

The financial statements for the year ended March 31, 2019 were issue and approved by the Audit Committee and Board of Directors on May 28, 2019.

Note 1.2 - Significant Accounting Policies

I. Statement of compliance and Basis of preparation and presentation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, relevant amendment rules issued there after and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

Accounting policies have been consistently applied except below

i). During the year, the Company has opted to follow hedge accounting (Refer note (IX)(b)(ii)) for further details.

ii). where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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 leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable 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.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

II. Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 'Revenue from contracts with customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Upon application of Ind AS 115, Revenue is recognized upon transfer of control of promised goods or services to the customers. The point at which control passes is determined by each customer arrangement when there is no unfulfilled obligation that could affect the customer's acceptance of goods or services. The point at which control passes is determined by each customer arrangement/ category of customer arrangement.

At contract inception, the company assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices.

Revenue is measured based on the transaction price i.e. the consideration to which the Company expects to be entitled from a customer, net of adjustment for volume discounts, returns and allowances, trade discounts and volume rebates. Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly. Revenue includes excise duty but excludes goods and services tax.

Other Income: Interest income from a financial asset is recognised when it is probable that the economic benefit 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 rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Income from Partnership Firms: Profit from partnership firms which are in the same line of operation is considered as operating Income. The share of profit in partnership firm is recognised as income in the statement of profit and loss as and when the right to receive the profit share is established.

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

Export Benefits: Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

III. Property, Plant and Equipment

i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP. Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets. All repair and maintenance costs are recognised in profit or loss as incurred. Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. An item of property, plant and equipment and any significant part initially recognised is derecognised upon

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

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 ready to use before such date are disclosed under 'Capital work-in-progress'.

ii. Capital work-in-progress - Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

IV. Intangible Assets :

i. Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives of the intangible assets considering the terms of the business purchase agreements are 3 -5 years.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

ii. Intangible assets under development
Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

V. A. Depreciation / Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Company based on technical evaluation, 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. and are as under:

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Estimated useful lives :-

Asset	Useful Life
Buildings	5 - 60 years
Plant and Equipment	15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computer and accessories	3- 6 years
Office Equipments	5 years

Freehold land is not depreciated.

Depreciation is calculated on a pro rata basis except that, assets costing upto ₹ 5,000 each are fully depreciated in the year of purchase An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

B. Impairment

(i). Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

(ii). Non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

VI. Non- current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

VII. Borrowing Costs

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 profit or loss in the period in which they are incurred."

VIII. Foreign Currency Transactions

The functional currency of the Company is Indian rupee.Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

IX. Financial Instruments

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent Measurement

(a) Non derivative financial instruments

(i). Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held 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.

(ii). Investment in subsidiaries and Partnership firm: Investment in subsidiaries and partnership firms is carried at cost less impairment, if any, in the separate financial statement.

(iii). Financial liabilities: The Company's financial liabilities includes borrowings, trade and other payables including financial guarantee contracts.

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

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.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified entity fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(b) Derivative financial instruments and hedge accounting

(i). Financial assets or financial liabilities, at fair value through profit or loss:

Initial recognition and subsequent measurement

The Company uses derivative financial instruments or non-derivative financial assets / liabilities (such as forward currency contracts, foreign currency borrowings from banks) to hedge its foreign currency risks and also commodity option contracts to hedge commodity prices risks.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

(ii). Cash flow hedge:

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

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

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

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

When a financial liabilities/derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the financial liabilities/derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the financial liabilities/derivative is recognized immediately in the net profit in the Statement of Profit and Loss.

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

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

De-Recognition of financial Instrument:

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) The contractual rights to receive cash flows from the asset have expired;

b) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

X. Impairment of Investments

The Company reviews its carrying value of long term investments in equity shares of subsidiaries and partnership firms carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

XI. Cash Flow Statement

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

XII. Current versus non-current classification:-

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is Expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period and all other assets are classified as non-current. A liability is current when It is expected to be settled in normal operating cycle It is held primarily for the purpose of trading It is due to be settled within twelve months after the reporting period, or There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

XIII. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

a). Raw materials and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

b). Stock in trade, Stock in process and finished goods- Direct cost plus appropriate share of overheads and excise duty, wherever applicable

c). By products - At estimated realisable value Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

XIV. Employee Benefits

Employee benefit includes Provident fund, Employee State Insurance Scheme, Gratuity fund and Compensated Absences, which are dealt with as under:

i). Defined Contribution plan - Contributions to provident fund and employee state insurance scheme are charged to statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees

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

iii). Compensated absences - Provision for earned leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

iv). Short term employee benefit - Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

v). Share based payment - Equity settled share based payments to employees under Gravita ESOP 2011 Scheme are measured at the fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

XV. Contingent Liabilities and Provisions

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Company has a legal / constructive obligation as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

XVI. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of an arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Company's benefit. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

XVII. Earnings Per Share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

XVIII. Income Taxes

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company."

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income.

XIX. Use of Estimates and Judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i). **Useful lives and residual value of property, plant and equipment and intangible assets:** Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii). **Impairment of investments:** The Company reviews its carrying value of long term investments in equity shares of subsidiaries and other partnership firms carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii). **Deferred tax assets:** The Company reviews the carrying amount of deferred tax assets including Minimum Alternate Tax (MAT) credit 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.

iv). **Revenue Recognition:**· The Company's contracts with customers include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the control of products/services has been transferred or not. The Company considers indicators such as how customer obtains benefits as products are dispatched or whether customer has obtained legal title to the products or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

v). **Dividend Income:** Dividend Income is recognized when the right to receive payment is established, which is generally on the date when shareholders approve the dividend in case of final dividend and approval by Board of Directors in case of interim dividend.

vi). **Claims & litigation:** In ordinary course of business, the Company faces claims by various parties/tax authorities. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

vii). **Trade Recievable:** The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

XX. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and which are subject to an insignificant risk of changes in value.

XXI. Dividend Payment

Final dividend is recognized, when it is approved by the shareholders and the distribution is no longer at the discretion of the Company.

XXII. Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in profit or loss of the period in which it becomes receivable. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets.

XXIII. Operating Cycle

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

XXIV. Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, has notified Ind AS 116, 'Leases' (a new lease standard), Appendix C to Ind AS 12, 'Uncertainty over Income Tax Treatments' and amendment in Ind AS 19, 'Employee Benefits'. These amendments are applicable to the Company from April 1, 2019.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Ind AS 116, ''Leases"

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right to use of asset either as:

Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. The Company is in process of evaluating the impact of transitioning from old standard i.e. Ind AS 17 to new standard i.e. nd AS 116 and the transition method.

Appendix C to Ind AS 12, 'Uncertainty over Income Tax Treatments:

Appendix C to Ind AS 12 , Uncertainty over Income Tax Treatments clarifies that while determinating the taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

There is no impact of this appendix on Company.

Amendment to Ind AS 12 – 'Income taxes':

Amendment to Ind AS 12, 'Income Taxes', clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19, 'Employee Benefits':

Amendment to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 2 - Property, Plant and Equipment

As at March 31, 2019 and March 31, 2018

(₹ in lacs)

Particulars	Freehold land	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Cost								
As at March 31, 2017	880.08	2,242.93	1,703.43	243.55	74.47	48.53	403.47	5,596.46
Additions during the year	3.48	1,134.02	1,679.81	149.49	23.04	36.34	311.79	3,337.97
Disposals/ Adjustments	-	(2.54)	(16.79)	(9.18)	(2.25)	(0.11)	(68.35)	(99.22)
As at March 31, 2018	**883.56**	**3,374.41**	**3,366.45**	**383.86**	**95.26**	**84.76**	**646.91**	**8,835.21**
Additions during the year	-	1,880.56	1,004.72	163.66	18.03	82.75	57.45	3,207.17
Disposals/ Adjustments	-	-	(81.34)	(1.60)	(0.88)	(0.05)	(13.42)	(97.29)
As at March 31, 2019	**883.56**	**5,254.97**	**4,289.83**	**545.92**	**112.41**	**167.46**	**690.94**	**11,945.09**
Depreciation								
As at March 31, 2017	-	64.98	122.05	20.93	20.80	5.37	57.23	291.36
Charge for the year	-	88.93	213.24	36.22	24.18	6.73	81.33	450.63
Deletions/Adjustments	-	(0.10)	(3.24)	(3.61)	(1.02)	(0.01)	(16.67)	(24.65)
As at March 31, 2018	**-**	**153.81**	**332.05**	**53.54**	**43.96**	**12.09**	**121.89**	**717.34**
Charge for the year	-	157.05	296.74	54.96	27.92	11.74	90.51	638.92
Deletions/Adjustments	-	-	(21.30)	(0.45)	(0.40)	(0.01)	(9.47)	(31.63)
As at March 31, 2019	**-**	**310.86**	**607.49**	**108.05**	**71.48**	**23.82**	**202.93**	**1,324.63**
Net block								
As at March 31, 2019	**883.56**	**4,944.11**	**3,682.34**	**437.87**	**40.93**	**143.64**	**488.01**	**10,620.46**
As at March 31, 2018	**883.56**	**3,220.60**	**3,034.40**	**330.32**	**51.30**	**72.67**	**525.02**	**8,117.87**

(i) For lien/ charge against Property, plant and equipment, refer note 16, 20 & 33.

(ii) For information on borrowing costs capitalised during the year, refer note 29.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 3 - Capital work-in-progress

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital work-in-progress	943.19	1,445.93
Total	**943.19**	**1,445.93**

Note 4 - Other Intangible assets

As at March 31, 2019 and March 31, 2018 (₹ in lacs)

Particulars	Computer Software	Total
Cost		
As at March 31, 2017	**147.70**	**147.70**
Additions during the year	44.51	44.51
Disposals/ Adjustments	(3.60)	(3.60)
As at March 31, 2018	**188.61**	**188.61**
Additions during the year	14.69	14.69
Disposals/ Adjustments	(4.86)	(4.86)
As at March 31, 2019	**198.44**	**198.44**
Depreciation		
As at March 31, 2017	31.89	31.89
Charge for the year	37.19	37.19
Deletions/Adjustments	(3.31)	(3.31)
As at March 31, 2018	**65.77**	**65.77**
Charge for the year	44.60	44.60
Deletions/Adjustments	(4.87)	(4.87)
As at March 31, 2019	**105.50**	**105.50**
Net block		
As at March 31, 2019	**92.94**	**92.94**
As at March 31, 2018	**122.84**	**122.84**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 5 - Non-current investments

(₹ in lacs, except quantity)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Qty (in nos)	Amount	Qty (in nos)	Amount
Investment in equity instruments (valued at cost)				
(Unquoted, in subsidiary companies)				
Fully paid shares				
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Limited)	200,000	26.09	200,000	26.09
Gravita Ghana Limited	314,363	123.66	314,363	123.66
Gravita Global Pte Limited	1,345,000	728.60	1,345,000	728.60
Noble Build Estate Private Limited	19,990	74.96	19,990	74.96
Total investments in subsidiaries		**953.31**		**953.31**
Investment in partnership firms (refer note below)				
Unquoted (valued at cost)				
M/s Gravita Metals		380.00		380.00
M/s Gravita Metal Inc		95.00		95.00
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)		0.98		0.98
Total investments in partnership firms		**475.98**		**475.98**
Investment in Government securities				
Unquoted (valued at amortised cost)				
National saving certificate		0.03		0.03
Total investments in Government securities		**0.03**		**0.03**
Other investments				
Unquoted (valued at cost)				
Investment in limited liability partnership (LLP)				
-M/s Recycling Infotech LLP		1.02		1.02
Total investments in others		**1.02**		**1.02**
Total investments		**1,430.34**		**1,430.34**
Aggregate amount of unquoted investments		1,430.34		1,430.34

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note : Other details relating to Investment in partnership firms

Particulars	As at March 31, 2019	As at March 31, 2018
(1) Investment in M/s Gravita Metals		
Name of the partner and share in profits (in %)		
Gravita India Limited	95.00%	95.00%
Gravita Infotech Limited	5.00%	5.00%
Total capital of the firm (in lacs)	400.00	400.00
(2) Investment in M/s Gravita Metal Inc		
Name of the partner and share in profits (in %)		
Gravita India Limited	95.00%	95.00%
Gravita Infotech Limited	5.00%	5.00%
Total capital of the firm (in lacs)	100.00	100.00
(3) Investment in M/s Gravita Infotech		
Name of the partner and share in profits (in %)		
Gravita India Limited	49.00%	49.00%
Gravita Infotech Limited	51.00%	51.00%
Total capital of the firm (in lacs)	2.00	2.00

Note 6 - Trade receivables

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured		
- considered good	10,666.70	10,589.78
- considered doubtful	118.58	79.01
Less: Loss allowance	(118.58)	(79.01)
	10,666.70	**10,589.78**

(i) The credit period generally allowed on sales varies, on case to case basis, business to business, based on market conditions. Maximum credit period allowed is upto 120 days.

(ii) For parri passu charge on trade receivables, refer note 16 and 20

(iii) Age of receivables:

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
within the credit period	6,988.07	7,092.10
1 to 180 days past due	3,216.98	2,986.86
More than 180 days past due (Gross of provision of ₹ 118.58 lacs; .March 31, 2018: ₹ 79.01 lacs)	580.23	589.83

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(iv) Transfer of financial asset:

During the year, the Company discounted trade receivables to a bank for cash proceeds. If the trade receivables are not paid at maturity, the bank has the right to request the Company to pay the unsettled balance. As the Company has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as a secured borrowing.

At the end of the reporting period, the carrying amount of the trade receivables that have been transferred but have not been derecognised amounted to ₹1803.92 lacs (at year ended March 31, 2018 ₹917.85 lacs) and the carrying amount of the associated liability is ₹1803.92 lacs (March 31, 2018: ₹917.85 lacs) (see note 20).

Note 7 - Financial assets - Others

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Non Current		
Fixed deposits with more than 12 months maturity*	1.26	1.26
Total (a)	**1.26**	**1.26**
(b) Current		
Derivatives designated at fair value through profit or loss		
- Unrealised gain on future commodity contracts	442.66	244.82
Dividend Receivable	593.02	-
Total (b)	**1,035.68**	**244.82**

* Represent lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

Note 8 - Other assets

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
(a) Non Current		
Capital advances	7.44	10.82
Advances other than capital advances		
Prepaid expenses	3.38	41.26
Prepaid lease (leasehold land)	445.79	450.99
Others (amount deposited with Government authorities)	51.11	33.68
Total (a)	**507.72**	**536.75**
(b) Current		
Advances to related parties (refer note 46)	2,271.77	795.91
Advances to vendors	2,975.62	2,102.76
Advances to employees	27.57	38.15
Prepaid expenses	134.13	38.97
Prepaid lease (leasehold land)	5.22	5.22
Others (amount deposited with Government authorities)	1,749.64	990.30
Total (b)	**7,163.95**	**3,971.31**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 9 - Deferred tax assets/ (liabilities) (net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax effect of items constituting deferred tax assets		
Minimum alternate tax credit entitlement	406.20	352.09
Provision for gratuity and compensated absences	122.75	83.63
Provision for doubtful debts and advances	75.01	27.61
	603.96	**463.33**
Tax effect of items constituting deferred tax liability		
Property, plant and equipment and intangible assets	721.43	544.23
Other temporary differences	8.59	2.74
Deferred tax assets/ (liabilities) (net)	**(126.06)**	**(83.64)**

Note 10 - Tax Assets (Net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Non Current		
Advance income tax and tax deducted at source receivables	-	56.34
Total (a)	**-**	**56.34**
(b) Current		
Advance income tax and tax deducted at source receivables	59.35	-
Total (b)	**59.35**	**-**

Note 11 - Inventories *

(At lower of cost and net realisable value) (₹ in lacs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Raw materials and bought out components	2,526.51	2,198.84
	Goods-in-transit	4,311.14	2,359.17
(b)	Work-in-progress	2,031.61	3,461.18
(c)	Finished goods (other than those acquired for trading)	1,770.41	3,464.90
	Goods-in-transit	2,020.31	275.93
(d)	Stock-in-trade (in respect of goods acquired for trading)	12.39	71.21
(e)	Stores and spares	362.16	457.29
(f)	Consumables	255.47	201.88
		13,290.00	**12,490.40**

* Parri passu charge on Inventories refer note 16 and 20.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 12 - Current investments

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
-Investment in partnership firms (unquoted) #*		
Valued at cost		
M/s Gravita Metals	260.01	58.84
M/s Gravita Metal Inc	654.17	165.72
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	7.55	18.20
Total investments in partnership firms	**921.73**	**242.76**
Other investments		
Unquoted (valued at cost)		
Investment in limited liability partnership (LLP)		
-M/s Recycling Infotech LLP	(1.80)	(1.66)
Total investments in others	**(1.80)**	**(1.66)**
Total investments	**919.93**	**241.10**
Aggregate amount of unquoted investments	919.93	241.10

As current capital account is covered by partnership deed, the closing balance in current capital account has been disclosed as current investments.

*Refer note 5 for other details relating to Investment in partnership firms

Note 13 - Cash and cash equivalents

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Cash and cash equivalents		
Balances with banks		
-on current accounts	307.84	109.79
Cash on hand	12.71	14.60
Cheques on hand	66.60	45.07
Total (a)	**387.15**	**169.46**
(b) Bank balances Other than (a) above		
Other bank balances		
(i) In earmarked accounts		
Unclaimed dividend account	3.73	2.49
Balances held as margin money against borrowings	648.99	731.23
Total (b)	**652.72**	**733.72**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 14 - Loans

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Non current, Unsecured, considered good		
(i) Security deposits (unsecured)		
- considered good	92.95	62.77
(ii) Loan to related parties (unsecured) (refer note 46)	-	417.75
- considered good	503.34	-
- considered doubtful	96.08	-
Less : Allowance for doubtful loans	(96.08)	-
Total (a)	**596.29**	**480.52**
(b) Current, Unsecured, considered good		
(i) Security deposits (unsecured)		
- considered good	92.17	97.63
Total (b)	**92.17**	**97.63**

* Loan to related parties includes an unsecured loans to its wholly owned subsidiary company "Noble Buildestate Private Limited" and a trust "Gravita Employee Welfare trust" at the rate of interest of 10% per annum.

Note 15 - Equity share capital

(₹ in lacs, except number of Equity shares)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 2 each	75,000,000	1,500.00	75,000,000	1,500.00
	75,000,000	**1,500.00**	**75,000,000**	**1,500.00**
Issued, subscribed and fully paid up				
Equity shares of ₹ 2 each	68,746,714	1,374.93	68,704,614	1,374.09
Total	**68,746,714**	**1,374.93**	**68,704,614**	**1,374.09**

(a) Changes in equity share capital during the year :

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	68,704,614	1,374.09	68,467,514	1,369.35
Add : Shares issued during the year-ESOP	42,100	0.84	237,100	4.74
Shares outstanding at the end of the year	**68,746,714**	**1,374.93**	**68,704,614**	**1,374.09**

(b) Shareholder holding more than 5 percent shares :

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares with voting rights				
Mr. Rajat Agrawal	32,677,725	47.53	32,677,725	47.56
Agrawal Family Private Trust	17,348,025	25.23	17,348,025	25.25

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 16 - Non - current financial liabilities - Borrowings (at amortised cost)#

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
(a) Term loans from banks		
-Vehicle Loans	78.87	169.38
-Term Loan	1,173.39	1,063.39
-Corporate Loan (I and II)	-	245.92
Less: Loan processing fees	(24.58)	(17.10)
	1,227.68	**1,461.59**

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes:

(i) Vehicle loan from banks of ₹209.98 (March 31, 2018: ₹328.95 lacs) carry interest ranging from 8.40% p.a. to 9.90% p.a. The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 31 to 60 Months.

(ii) Corporate loan-I of ₹200.07 lacs (March 31, 2018 ₹285.92 lacs) with currency swing option@ 6months @ LIBOR +3.25% P.A. on fully hedged basis ,The Rupee loan carry interest rate 14.95% p.a. The loan is repayable in 23 quarterly installments commencing from March 31, 2016 and ending on September 30, 2021. The loan is secured by way of following:

a) First parri-passu charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc. and book debts (both present and future), along with other banks.

b) Second charge over the entire fixed assets of the Company both present and future (including Equitable Mortgage (EM) of properties disclosed under Note-2) excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of Chittoor plant.

Corporate loan II of ₹155.90 lacs (March 31, 2018: ₹201.93 lacs) with currency swing option@ 6months @ LIBOR +3.25% P.A. on fully hedged basis. The loan is secured by way of following:

a) First pari-passu over the entire fixed assets of the Company both present and future (including Equitable Mortgage (EM) of properties disclosed under Note-2) excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of asset situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor,Andhra Pradesh Chittoor plant.

b) First pari-passu charge by way of equitable mortgage of flat no. 203, on first floor in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.

c) First pari-passu charge by way of equitable mortgage of land and house HIG, SFS Block 3, plot no 90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited.(Related Party)

d) Second charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc. and book debts (both present and future), along with other banks.

(iii) PNB Term Loan of ₹1,001.38 lacs (March 31, 2018: ₹1,356.10 lacs) @ 11.65% P.A. The loan is repayable in 22 quarterly installments commencing from October 1, 2017 and ending on January 1, 2023. The loan is proposed to be secured by way of following:

a) First pari-passu charge on the entrie block assets present and future of the Chittoor project. Value after completion of project shall be ₹22.59 Crore

b) Second pari-passu charge on following Immovable Properties:

- Land & Building at Jaychand Ka Bas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Khasra no. 209/1/5/3, 209/1/4/1, 209/1/5/1 and 209/1/5/2.
- Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur Residential Land & H No. 3/90, Mansarovar, Jaipur

c) Personal guarantee of Managing Director Mr. Rajat Agrawal.

d) Corporate guarantee of M/s Gravita Impex Pvt Ltd (Related Party)

e) Second Charges on Property situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehil Sanganer Distt-Jaipur

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(iv) TATA Term Loan of ₹580 lacs (March 31, 2018: ₹NiL) @ 10.50% P.A. The loan is repayable in 60 quarterly installments commencing from November 27, 2018 and ending on November 2023. The loan is proposed to be secured by way of following:

a). First pari-passu charge by way of mortgage over industrial property in the name of the Borrower situated at Survey No 233/15 to 233/30, Tiruthani Road, Ananthapuram Panchayat Narasingha Rayaru Bhutan Post Chittoor, Andhra Pradesh.

b). First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittor plant with PNB. (FACR of minimum 1.1x to be maintained over Chittoor plant and Land & Building)

c). Second Pari passu charge by way of Hypothecation over the entire movable fixed assets of the Borrower (excluding vehicles & assets of Mahindra SEZ Project & Chittoor Plant).

d). Second Paripassu charge by way of Mortgage over the below mentioned are immovable assets:

- Land & Building at Harsulia Mod, Diggi Malpura Road, Phaggi, Jaipur.
- Land & Building at Harsulia Mod, Diggi Malpura Road, Phaggi. Jaipur.
- Flat 302, Flat no. 403,and Flat no. 401,in Rajputana Tower situated at Plot No A-27-B, Shanti Path Tilak Nagar, Jaipur.
- Flat no. 203, in Rajputana Tower situated at plot no, A 27-B, Tilak Nagar Shanti Path Jaipur of Managing Director Mr. Rajat Agrawal.
- Land & house HIG, SFS Block-3, Plot 90, Mansarovar, Jaipur of Gravita Impex Pvt Ltd.

Note 17 - Other Financial Liabilities

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturities of long terms debt (refer note 16)	895.07	691.61
Interest accrued on borrowings	6.43	52.53
Unclaimed dividends*	3.74	2.49
Payable for purchase of fixed assets	31.31	33.35
	936.55	**779.98**

* As at March 31, 2019, there is no amount due and outstanding to be transferred to the IEPF by the Company.

Note 18 - Provisions

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Long - term		
Provision for employee benefits (refer note 44)		
Provision for gratuity (net)	200.66	158.42
Provision for compensated absences	59.98	49.07
Total (a)	**260.64**	**207.49**
(b) Other than Long term		
Provision for employee benefits (refer note 44)		
Provision for gratuity (net)	31.78	28.72
Provision for compensated absences	3.66	3.10
Total (b)	**35.44**	**31.82**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 19 - Other Liablities

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Advance received from customers	62.75	185.28
Deferred government grants	22.86	-
Security Deposits received	1.16	-
Other payables		
-Statutory remittances*	406.67	63.96
-others	3.52	1.55
	496.97	**250.79**

*Include contribution to Provident Fund and ESI, Withholding Taxes, Goods and Services Tax and Professional Tax.

Note 20 - Current financial liabilities - Borrowings (at amortised cost)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand		
From banks		
Cash credit / overdraft	8,408.54	8,452.85
Packing credit	5,764.79	4,794.38
Foreign currency loans - buyers credit	-	4,393.03
Amounts due on factoring (Refer note (i)(d) below)	1,803.92	917.85
ST borrowing-Foreign currency loans-Suppliers credit	1,511.36	-
Working capital Demand Loan	1,997.13	-
	19,485.74	**18,558.11**

(i) Loans repayable on demand from banks are secured by way of:

(a) First pari-passu charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc and book debts (both present and future).

(b) First pari-passu charge on the entire fixed assets of the Company both present and future, excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of chittoor plant, but including the following:

(i) Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.

(ii) Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur.

(c) First pari-passu charge on the following other assets:

(i) Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party).

(ii) Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.

(d) Charge over certain of the Company's trade receivables (refer note 6(iv)).

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(e) Personal guarantee of Managing Director Mr. Rajat Agrawal.

(f) Corporate guarantee of M/s Gravita Impex Private Limited (related party).

(g) Second pari passu charge on the fixed assets of Chttoor Plant both present and future including land and building , plant and machinery and other fixed assets.

(h) Corporate guarantee of M/s Noble Buildestate Private Limited (related party).

Note 21 - Trade Payables

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables (including acceptence)*		
Outstanding dues to Micro and Small enterprises (refer note 34)	72.18	-
Outstanding dues to parties other than Micro and Small enterprises	10,712.51	5,580.88
	10,784.69	**5,580.88**

* Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Company continues to recognise the liability till settlement with the banks/financial institutions,which are normally effected within a period of 90 days, amounting to ₹4,738.78 lacs (March 31,2018: NIL)

Note 22 - Tax Liabilities (Net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax liabilities		
Provision for taxation (Net of advance tax of ₹332.59 lacs, March 31, 2018: ₹550 lacs)*	165.29	189.52
	165.29	**189.52**

* includes interest on income tax of ₹7.69 lacs (March 31, 2018: ₹17.33 lacs)

Note 23 - Revenue from operations

(₹ in lacs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	**Sale of products (including excise duty)(ii)**		
	Manufactured goods	97,255.51	72,402.45
	Traded goods	7,259.41	6,812.64
	Total	**104,514.92**	**79,215.09**
(b)	**Sale of services**		
	Technical consultancy	27.60	37.10
(c)	**Other operating revenues**		
	Export incentives	239.91	40.66
	Government Grant (i)	929.28	-
	Share of profit from partnership firms (net)	146.58	329.75
	Job work income	15.33	16.21
	Scrap Sales	61.93	18.27
	Revenue from operations	**105,935.55**	**79,657.08**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note:

i. The Company's manufacturing facility at Chittoor, is eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the Company has been granted "Small Industry" status and eligible for incentives like, power cost reimbursement, Interest reimbursement, refund of sales tax/State Goods and services tax paid in cash, etc. Based on such policy, the Company has continued to recognise the incentive computed based on SGST paid to Government of Andhra Pardesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above amounting to ₹929.28 lacs (Previous year: Nil) for year ended 31st March, 2019 is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Company is also entitiled for capital grant of ₹26.38 lacs out of ₹ 3.52 Lacs has been recognised as Amortisation of Government Grant under the head "Other income" and balance has amount of ₹22.86 lacs has been recognised as Deferred government grants under head "Other current Liabilities".

ii. Consequent to introduction of Goods and Services Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers" and Schedule III of the Companies Act, 2013 and unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly the figures for the period upto June 30, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate to such understanding:

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Sale of products	104,514.92	79,215.09
B. Excise duty	-	963.00
C. Sale of products excluding excise duty (A-B)	104,514.92	78,252.09

Disaggregate revenue information:

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by Product type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(₹ in lacs)

Particulars	Amount
Revenue by Product type:	
Lead	87,242.42
Aluminium	11,354.45
Turnkey Projects	4,381.94
Others	2,956.74
Total	**105,935.55**

Trade receivables and Contract Balances:

The company present the right to consideration in exchange for sale of promised products/service as Trade receivable in Financials. A receivable is a right to consideration that is unconditional upon passage of time. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet. Further, Provision for bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 24 - Other income

(₹ in lacs)

Particular		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	**Interest income**		
	Interest income earned on financial assets that are not designated as at fair value through profit and loss		
	(a) On bank deposits (at amortised cost)	36.07	41.10
	(b) On income tax refunds	2.99	10.48
	(c) On others	59.92	33.48
(b)	**Dividend Income**		
	Dividends from equity investments	636.09	-
(c)	**Other non-operating income**		
	Financial guarantee commission	-	20.49
	Liabilities written back	43.36	-
	Miscellaneous income	6.46	1.38
(d)	**Other gains and losses**		
	Amortisation of Government Grant (Refer Note 23(i))	3.52	-
	Derivatives at fair value through profit and loss		
	- Gain on Foreign currency forward contracts	117.99	-
	- Gain on commodity option contracts	306.18	26.51
		1,212.58	**133.44**

Note 25 - Cost of material consumed

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw materials and bought out components consumed	85,071.12	63,882.34
	85,071.12	**63,882.34**

Note 26 - Purchase of stock-in-trade

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Remelted Lead Ingots	4,537.57	4,821.66
Others	2,279.99	1,508.67
	6,817.56	**6,330.33**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 27 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock		
Finished goods	3,740.83	1,326.10
Work-in-progress	3,461.18	1,765.68
Stock-in-trade	71.21	2.14
Less: Closing stock		
Finished goods	3,790.72	3,740.83
Work-in-progress	2,031.61	3,461.18
Stock-in-trade	12.39	71.21
Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade	**1,438.50**	**(4,179.30)**

Note 28 - Employee benefits expense

(₹ in lacs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(i)	Salaries and wages	3,941.35	3,101.63
(ii)	Contribution to provident and other funds	134.18	126.70
(iii)	Share-based payments to employees	40.48	30.02
(iv)	Staff welfare expenses	380.98	305.38
		4,496.99	**3,563.73**

Note 29 - Finance cost

(₹ in lacs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Interest costs on		
	- Borrowings	1,773.60	1,181.17
	- Others	0.32	75.24
(b)	Exchange differences regarded as an adjustment to borrowing costs	220.56	253.66
(c)	Other borrowing costs	86.14	87.53
		2,080.62	**1,597.60**

*The above finance cost is net of the amount included in the cost of qualifying assets - For the year ended March 31, 2019: ₹Nil (March 31, 2018: ₹73.36 lacs)

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 30 - Depreciation and amortisation expense

(₹ in lacs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Depreciation of Property, Plant and Equipment	638.92	450.63
(b)	Amortisation of intangible assets	44.60	37.19
		683.52	**487.82**

Note 31 - Other expenses

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	737.50	534.01
Rates and taxes	65.60	209.21
Legal and professional	251.76	208.46
Repairs and maintenance		
-Plant & machinery	612.81	476.85
-Buildings	71.85	55.74
-Others	129.36	95.59
Freight and forwarding	824.35	644.07
Travelling and conveyance	227.64	286.17
Insurance	12.67	22.97
Rent	179.90	139.84
Lease prepayment amortisation	5.22	5.22
Sales commission	106.45	17.40
Advertising and sales promotion	115.89	221.29
Communication	35.83	36.67
Training and recruitment	29.41	18.00
Printing and stationery	12.70	12.80
Donations and contributions	0.20	2.78
Payment to auditors (Refer note 38)	35.29	48.54
Written off/provision for doubtful trade receivables, loans and advances	163.26	77.69
Net loss on foreign currency transactions and translation	185.65	-
Loss on property plant and equipment discarded/scrap/written off	28.57	25.86
Corporate guarantee expenses	23.67	-
Expenditure on Corporate Social Responsibility (Refer note 35)	18.82	28.72
Bank charges	181.85	201.09
Vehicle hire expenses	11.72	4.96
Vehicle running expenses	47.58	29.69
Derivatives at fair value through profit or loss		
Loss on currency option contracts	-	81.34
Miscellaneous expenses	34.52	32.29
	4,150.07	**3,517.25**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 32 - Tax Expense

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Current Tax		
Current tax expense	496.98	722.19
Short/ (excess) provision for tax relating to prior years	(56.29)	(14.60)
	440.69	**707.59**
(b) Deferred tax charge / (credit)		
In respect of current year	96.49	230.90
Adjustments to deferred tax attributable to changes in income tax rate from 34.61% to 34.94% (effective April 1, 2018)	-	4.15
Minimum alternate tax credit utilised/(created) during the current year	(22.72)	138.87
	73.77	**373.92**
Income tax recognised in Profit and Loss	**514.46**	**1,081.51**
The Income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	2,409.75	3,627.75
Income tax expense calculated at 34.944% (Previous year 34.608%)	842.06	1,255.49
Effect of income that is exempt from taxation	(155.25)	(223.20)
Dividend Income- Chargeble at different rate	(111.14)	-
Effect of expenses that are not deductible in determining taxable profit	8.47	31.09
Effect on deferred tax balances due to the change in income tax rate	-	(4.15)
Movement in tax provision relating to prior years	(56.29)	(14.60)
Others	(13.40)	36.88
Income tax expense recognised in statement of profit and loss	**514.46**	**1,081.51**
(c) Income tax recognised in other comprehensive income (OCI)		
Arising on income and expenses recognised in OCI		
(i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligation	1.27	10.95
(ii) Items that will not be reclassified to profit or loss		
Change in Fair value of hedging Instrument	(0.26)	-
	1.01	**10.95**

The tax rate used for reconciliation above is the corporate tax rate of 34.944% (Previous year 34.608%) payable by corporate entities in India on taxable profits under Indian tax law.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(d) Deferred tax movements

Deferred tax assets/ (liabilities) in relation to: (₹ in lacs)

Particulars	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Brought forward losses (long term)	Depreciation	Others	MAT credit entitlement
As at March 31,2018	**83.63**	**27.61**	**-**	**(544.23)**	**(2.74)**	**352.09**
(charged)/credited to:						
profit or loss	37.85	47.40	-	(177.20)	(5.59)	54.11
Other comprehensive income	1.27	-	-	-	(0.26)	-
As at March 31, 2019	**122.75**	**75.01**	**-**	**(721.43)**	**(8.59)**	**406.20**

Note 33 - Contingent liabilities and commitments

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Contingent Liabilities		
-Corporate guarantee given to bank for loans availed by the following related parties:		
-M/s Gravita Metal Inc	900.00	900.00
-Gravita Netherlands B.V.# (Cash margin given of ₹ 2 crores)	1,844.32	-
-Dues outstanding in respect of above, considered contingent		
-M/s Gravita Metal Inc	863.43	881.17
-Gravita Netherlands B.V.#	1,788.99	-
-Claim against the company not acknowledged as debt*		
-Income Tax	-	22.50
-Excise Duty/Customs Duty/Service Tax/Goods and services Tax	240.69	62.89
-Value Added Tax/ Central Sales Tax/Entry Tax	111.90	24.33
-Employees' benefit - (Refer note 44)		
	3,005.01	**990.89**
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	141.88	348.36
Total	**3,146.89**	**1,339.25**

Includes 'Stand-by Letter of credit (SBLC)' issued by ICICI bank, which is secured by way of mortgaging its Industrial Land, Building and Other Assets located at Plot No. PA-011-006, SEZ, Village kalwara, Tehsil Sanganer, Jaipur.

* All the matters above other than guarantee given by the Company are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, in the opinion of the management, will not have a material effect on the results of the operations or financial position of the Company.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Disclosure related to partnership firms:

The Company's share in assets, liabilities and other items of partnership firms viz., M/s Gravita Metals, M/s Gravita Metal Inc, M/s Gravita Infotech and M/s Recycling Infotech LLP is given below:

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Assets	2,891.51	3,426.11
Liabilities (excluding capital and reserves and surplus)	1,547.01	2,608.02
Claims not acknowledged as debt		
Excise duty	93.50	93.50

Note: The Company share of profit/loss from partnership firms is considered in other operating revenue in note 23 above.

Note 34 - Dues to micro and small enterprises

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	72.18	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	4.61	-
(iii) The amount of interest paid by the buyer along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 35 - Corporate Social Responsibility expenditure

The gross amount required to be spent by the Company for CSR expenditure during the year is ₹44.27 lacs (previous year ₹21.13 lacs); and the amount spent (already paid for purposes other than construction / acquisition of any asset) is ₹18.82 lacs (previous year ₹26.22 lacs). The amount spent for construction / acquisition of any capital asset is ₹Nil (previous year ₹2.50 lacs)

Note 36 - Disclosure under Ind-AS 17 "Leases"

(i) Operating leases :

General description of the Company's operating lease arrangements:

The Company has entered into operating lease arrangements for lease of certain facilities and office premises.

Some of the significant terms and conditions of the arrangements are:

- agreements are generally executed for the period of 11 months and may generally be terminated by either party by serving a notice period
- the lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement;
- the Company shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Future minimum lease payments under non cancellable operating leases are :

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
- Not later than one year	69.94	9.01
- Later than one year but not more than 5 years	120.61	-
- Later than 5 years	-	-

(₹ in lacs)

	Current year	Previous year
Lease rent in respect of the above, charged to the statement of profit and loss for the year :	179.90	139.84

Note 37 - Earning per share

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
Profit for the year attributable to equity shares	₹in Lacs	1,895.29	2,546.24
Weighted average number of Basic equity shares outstanding	Numbers	68,743,830	68,653,719
Weighted average number of Diluted equity shares outstanding	Numbers	69,027,898	68,986,197
Basic earnings per share (face value - ₹2 per share)	Rupees	2.76	3.71
Diluted earnings per share (face value - ₹2 per share)	Rupees	2.75	3.69

Note 38 - Auditors' remuneration

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) For audit	16.00	15.00
(b) For limited reviews	15.00	13.50
(c) For taxation matters	-	3.50
(d) For certification	0.70	1.30
(e) For other services	-	12.00
(f) Reimbursement of expenses	3.59	3.24
	35.29	**48.54**

Note 39 - Proposed dividend

The Board of Directors, in its meeting held on May 28, 2019, have recommended a final dividend of ₹0.30 per equity share of ₹2/- each aggregating to ₹206.24 lacs (excluding corporate dividend tax of ₹42.40 lacs) for the financial year ended March 31, 2019. The recommendation is subject to the approval of shareholders in the ensuing Annual General Meeting.

The Board of Directors, in its meeting held on May 28, 2018, recommended a final dividend of ₹ 0.70 per equity share of ₹2/- each for the financial year ended March 31, 2018 and the same was approved by the shareholders at the Annual General Meeting held on September 01, 2018 . This resulted in outflow of ₹580.18 lacs (including corporate dividend tax).

Note 40 - Segment Reporting

As per Ind AS 108 "Operating Segments", Segment information has been provided under the Notes forming part of the Consolidated financial statements.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 41 - Financial Instruments by Categories

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

(₹ in lacs)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets						
Investments						
- Government securities	0.03	-	-	0.03	-	-
Trade receivables	10,666.70	-	-	10,589.78	-	-
Loans	688.46	-	-	578.15	-	-
Cash and cash equivalents and bank balances	1,039.87	-	-	903.18	-	-
Other financial assets	594.28	442.66	-	1.26	244.82	-
Total financial assets	**12,989.34**	**442.66**	**-**	**12,072.40**	**244.82**	**-**
Financial liabilities						
Borrowings	20,713.42	-	-	20,019.70	-	-
Trade payables	10784.69	-	-	5580.88	-	-
Other financial liabilities	936.55	-	-	779.98	-	-
Total financial liabilities	**32,434.66**	**-**	**-**	**26,380.56**	**-**	**-**

Note: (i) Carrying value of the financial assets and liabilities designated at amortised cost approximates its fair value.

(ii) This does not include investment in subsidiaries which have been carried at cost.

Note 42 - Capital Management

The company manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders through maintaining reasonable balance between debt and equity. The capital structure of the company consist of net debt (borrowings net of cash and cash equivalents) and total equity of the company.

The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Company also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to tt Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

Note 43 - Financial Risk Management

The Company is exposed to various financial risks arising from its underlying operations and finance activities. The Company is primarily exposed to market risk (i.e. interest rate and foreign currency risk), to credit risk and liquidity risk. The Company's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, foreign currency risk,credit risk and liquidity risk. Company policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Compliance with the policies and guidelines is managed by the Corporate Treasury function within the Company. Review of the financial risk is done on a monthly basis by the Managing Director and on a quarterly basis by the Board of Directors.

The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the Company's results and financial position.

In accordance with its financial risk policies, the Company manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. It is the Company's policy and practice neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. The Board of Directors / Managing Director reviews and approves policies for managing each of the above risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Company enters into the derivative contracts as approved by the Board to manage its exposure to foreign currency risk.

(i) Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The Company hedges the exposures based on a duly approved policy by the Board. The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company are mainly in U.S. Dollar (USD), Euro (EUR) and Ghanaian Cedi (GHS). The Company's exposure to foreign currency changes for all other currencies is not material. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in ₹, are as follows:

(₹ in lacs)

Particulars	Assets		Liabilities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	6,979.43	8,163.40	2,509.56	2,087.22
EUR	13.88	105.16	-	-
GHS	593.02	-	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to USD and EUR.

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The ensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	Year ended March 31,2019		Year ended March 31,2018	
	₹ Strengthens by 1%	₹ weakens by 1%	₹ Strengthens by 1%	₹ weakens by 1%
Impact on profit/(loss) for the year	(50.76)	50.76	(61.81)	61.81
USD	(44.69)	44.69	(60.76)	60.76
EUR	(0.14)	0.14	(1.05)	1.05
GHS	(5.93)	5.93	-	-

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Foreign exchange derivative contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Company's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding contracts	No. of deals		Foreign currency (FCY)		Nominal amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD / INR Buy forward	550	3,600	550,000	3,600,000	39,351,125	23,596,000

(ii) Interest Rate Risk Management

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lacs)

Particulars	Impact on profit before tax	
	Current year	Previous year
Interest rate - increase by 100 basis points (100 bps)*	195.28	193.44
Interest rate - decrease by 100 basis points (100 bps)*	(195.28)	(193.44)

* Holding all other variable constant

(b) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed in the note no. 6 above. The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking informations.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Movement in the expected credit loss allowance of financial assets (₹ in lacs)

Particulars	Financial assets
Provision as at April 1, 2017	**14.04**
Provision made during the year 2017-18	64.97
Written off during the year 2017-18	-
Provision as at March 31, 2018	**79.01**
Provision made during the year 2018-19	39.57
Written off during the year 2018-19	-
Provision as at March 31, 2019	**118.58**

(c) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Total committed working capital limits from Banks	21,510.00	21,510.00
Utilized working capital limit	19,485.74	18,558.11
Unutilized working capital limit	2,024.26	2,951.89

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

(₹ in lacs)

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
As at March 31, 2019				
Non-derivatives				
Borrowing *	1,048.04	1,441.61	-	2,489.65
Trade payable	10,784.69	-	-	10784.69
Other financial liabilities	41.48	-	-	41.48
Total non-derivatives liabilities	**11,874.21**	**1,441.61**	**-**	**13,315.82**

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

As at March 31, 2018				
Non-derivatives				
Borrowing *	862.09	1,819.04	-	2,681.13
Trade payable	5,580.88	-	-	5,580.88
Other financial liabilities	88.36	-	-	88.36
Total non-derivatives liabilities	**6,531.33**	**1,819.04**	**-**	**8,350.37**

* Excludes utilized working capital limited disclosed above in Liquidity risk management.

Note 44 - Employee benefits plans

(i) Defined Contribution Plans

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to provident and other fund	134.18	126.70

*Based upon the legal opinion obtained by the management, there are various interpretation issues and thus is in the process of evaluating the impact of the recent Supreme Court Judgment in the case of "Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal in relation to non-exclusion of certain allowances from the definition of "basis wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952.

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

Earned leaves – Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

These plans typically expose the company to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

Investment Risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk -The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Reconciliation of opening and closing balances Defined Benefit Obligation

(₹ in lacs)

Particulars	Gratuity (Funded)		Compensated absences (Unfunded)	
	For the year ended March 31,2019	For the year ended March 31,2018	For the year ended March 31,2019	For the year ended March 31,2018
Change in benefit obligation (A)				
1. Present value of obligation as at the beginning of the year	192.32	133.31	52.16	38.52
2. Current service cost	29.16	20.65	14.39	13.11
3. Interest cost	14.82	10.05	4.02	2.90
4. Actuarial (gain) / loss	3.27	31.44	12.49	4.95
5. Benefits paid	(6.15)	(3.13)	(19.42)	(7.32)
Present value of obligation as at the end of the year	233.42	192.32	63.64	52.16
Change in plan assets (B)				
1. Fair value of plan assets at the beginning of the year	5.16	7.39	-	-
2. Actual return on plan assets	0.04	0.35	-	-
3. Fund Management Charges	(0.74)			
4. Benefits paid	(3.48)	(2.58)	-	-
Fair value of plan assets at the end of the year	0.98	5.16	-	-
Liability recognized in the financial statement (A-B)	232.44	187.17	63.64	52.16
Composition of plan assets				
Other than equity, debt, property and bank account *	100%	100%	-	-
Main actuarial assumption				
Discount rate	7.65%	7.71%	7.65%	7.71%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected rate of return on plan assets	7.65%	7.71%	-	-
Expected average remaining working lives of employees (years)	23.79	23.78	23.97	23.97
Average remaining working lives of employees with Mortality and Withdrawal (years)	18.23	18.28	18.10	18.17
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Maturity profile of defined benefit obligation

(₹ in lacs)

Year	Gratuity	Earned leaves
0 to 1 year	31.77	3.65
1 to 2 year	2.99	1.09
2 to 3 year	3.08	1.17
3 to 4 year	3.23	2.82
4 to 5 year	3.39	1.22
5 to 6 year	3.48	1.64
6 year onwards	185.45	52.01

* The plan assets are maintained with Bajaj Allianz under Group Gratuity Care Scheme. The details of investments maintained by Bajaj Allianz are not available with the Company and have not been disclosed.

(₹ in lacs)

Particulars	Gratuity		Earned leaves	
	Current year	Previous year	Current year	Previous year
Cost for the period				
1. Current service cost	29.15	20.65	14.39	13.11
2. Net interest cost	14.43	9.70	4.02	2.90
3. Actuarial (gain) / loss	-	-	12.48	4.95
Total amount recognised in profit or loss	**43.58**	**30.35**	**30.89**	**20.96**
Re-measurements recognised in Other comprehensive income				
1. Actuarial (gain) / loss on plan assets	0.36	0.21	-	-
2. Effect of changes in financial assumptions	1.15	(2.78)	-	-
3. Effect of experience adjustments	2.11	34.22	-	-
Total re-measurements included in Other Comprehensive Income	**3.62**	**31.65**	**-**	**-**
Total amount recognised in statement of profit and loss	**47.20**	**62.00**	**30.89**	**20.96**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

(₹ in lacs)

Particulars	Gratuity	Earned leaves
Present value of Obligation at the end of the year	233.42	63.64
a) Impact of the change in discount rate		
i). Impact due to increase of 0.50%	(9.46)	(3.46)
ii). Impact due to decrease of 0.50%	10.18	3.75
b) Impact of the change in salary increase		
i). Impact due to increase of 0.50%	10.29	3.80
ii). Impact due to decrease of 0.50%	(9.65)	(3.52)

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 45 - Employee share based payments

The members of the Company at its Annual General Meeting held on July 27, 2011 had approved the issue of Stock Options to eligible employees/directors of the Company and its subsidiaries. Accordingly, the Board at their meeting held on August 10, 2011 approved the "Gravita ESOP 2011" Scheme. A Compensation Committee was formed to govern the Gravita ESOP 2011 Scheme which has approved first, second, third and fourth grant of options on September 23, 2011, July 5, 2012, July 1, 2013 and April 1, 2015 respectively. Details are as follows:

	First grant	Second grant	Third grant	Fourth grant
Grant Date	September 23, 2011	July 5, 2012	July 1, 2013	April 1, 2015
Grant effective from	October 1, 2011	July 5, 2012	July 1, 2013	April 1, 2015
Exercisable period	5 years	5 years	5 years	5 years
Option Granted	400,380	31,000	368,500	500,000
Exercise price	₹2 per share	₹2 per share	₹2 per share	₹2 per share

Fair value of share options granted during the year

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below.The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest.The expected life of share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.

Inputs in the pricing model

	First grant	Second grant	Third grant	Fourth grant
Weighted average fair Value of options	75.01	174.20	19.45	34.93
Weighted average share price	76.95	176.20	21.45	36.30
Exercise Price	2	2	2	2
Expected Volatility	62.02%	62.34%	54.84%	66.19%
Options Life	5 Yrs	5 Yrs	5 Yrs	5 Yrs
Dividend Yield	0.65%	0.27%	1.38%	0.00%
Risk Free Rate	7.16%	7.20%	7.40%	7.05%

Movement in stock options:

	First grant	Second grant	Third grant	Fourth grant
Options outstanding at the beginning of the year	-	-		336,800
	-	-	(194,250)	(385,650)
New options issued during the year	-	-	-	-
	-	-	-	-
Options exercised during the year	-	-	-	42,100
	-	-	(194,250)	(42,850)
Lapsed/ forfeited during the year	-	-	-	3,500
	-	-	-	(6,000)
Options outstanding at the end of the year	-	-	-	291,200
	-	-		(336,800)

Note: Figures in bracket are related to financial Year 2017-18

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Share options exercised during the year

Option plan	No. of options exercised	Weighted share price at exercise date
Fourth grant	42,100	188.60

Share options outstanding at end of the year	Options outstanding		Remaining contractual life (In months)		Exercise price
	As on March 31, 2019	As on March 31, 2018	As on March 31, 2019	As on March 31, 2018	
Fourth grant	2,91,200	3,36,800	-	-	2

During the year ended March 31, 2019, the Company recorded an employee share based payment expense of ₹40.48 (previous year ₹30.02 lacs) in the Statement of Profit and Loss.

Note 46 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

(i) Name of related parties and nature of related party relationship

(a) Subsidiaries:

Name of the Company	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Ltd)	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Noble Build Estate Private Limited	India	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal S.A.U	Senegal	100.00	100.00
Gravita Nicaragua S.A.	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc.	USA	100.00	100.00
Gravita Mali SA	Mali	100.00	100.00
Gravita Cameroon Limited	Cameroon	100.00	100.00
Met Mauritania Recycling SARL	Mauritania	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Ltd.	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Gravita Dominican SAS	Dominican Republic	100.00	100.00
Gravita Peru SAC (incorporated on November 7, 2018)	Peru	100.00	-

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(b) Associate

Name of the associate	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Pearl Landcon Private Limited	India	25.00	25.00

(c) Partnership firms

Name of the firm	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
M/s Gravita Metals	India	95.00	95.00
M/s Gravita Metal Inc	India	95.00	95.00
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	India	49.00	49.00

(d) Limited liability partnership firm

Name of the firm	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
M/s Recycling Infotech LLP	India	51.00	51.00

(e) Trusts

Name of the Trust	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Gravita Employee Welfare Trust	India	-	-

Key Managerial Personnel and their relatives :

(f) Key Management Personnel

Name of the director	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-Time Director
Mr. Rajat Agrawal	Managing Director
Mr. Yogesh Malhotra*	Whole Time Director

*Appointed as Whole Time Director with effect from March 31, 2019.

(g) Relatives of Key Management Personnel

Name of the director	Designation
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

(h) Enterprises over which Key Managerial Personnel and / or their relatives exercise significant influence :

Saurabh Farms Limited
Shah Buildcon Private Limited
Jalousies India Private Limited
Devonic Ventures Private Limited
Karvrish Assets Private Limited
Karvish Resources Private Limited
Gravita Impex Pvt Ltd.

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(ii) Detail of transaction and balance outstanding with related parties

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales		
Subsidiaries		
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Limited)	-	456.14
Gravita Ghana Limited	0.24	36.83
Gravita Mozambique LDA	280.97	47.59
Navam Lanka Limited	149.07	83.55
Gravita Senegal S.A.U	300.70	64.51
Gravita Nicaragua S.A.	462.59	23.59
Gravita Jamaica Limited	31.37	185.74
Gravita Ventures Limited	0.12	0.23
Met Mauritania Recycling SARL	0.26	156.89
Mozambique Recyclers LDA	8.35	48.92
Gravita Cameroon Limited	0.27	-
Gravita Tanzania Limited	503.20	-
Recyclers Ghana Limited	1,025.48	-
Recyclers Gravita Costa Rica SA	0.20	-
Partnership firms		
M/s Gravita Metal Inc	9.16	18.46
M/s Gravita Metals	7.43	-
Purchases		
Subsidiaries		
Gravita Infotech Limited (Formely known as M/s Gravita Exim Ltd)	0.20	13.64
Gravita Ghana Limited	7,476.98	3,359.57
Gravita Mozambique LDA	3,594.21	3,000.68
Navam Lanka Limited	932.68	141.82
Gravita Senegal S.A.U	4,337.49	3,686.85
Gravita Nicaragua S.A.	19.26	94.16
Gravita Ventures Limited	726.19	729.14
Gravita USA Inc.	-	13.94
Recyclers Gravita Costa Rica SA	-	35.43
Met Mauritania Recycling SARL	304.34	-
Partnership firms		
M/s Gravita Metal Inc	79.46	136.79
M/s Gravita Metals	111.68	-
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	0.09	1.02

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Loan given		
Subsidiaries		
Noble Build Estate Private Limited (Including Interest)	340.04	313.04
Gravita Employee Welfare Trust (Including Interest)	259.38	104.34
Commission / Interest income/Service Charges Income		
Subsidiaries		
Noble Build Estate Private Limited	30.00	28.22
Gravita Employee Welfare Trust	16.93	3.70
Gravita Netherlands BV	17.70	-
Management Consultancy Income		
Gravita Metal Inc	1.20	-
Corporate Guarantee Expenses		
Noble Build Estate Private Limited	19.35	-
Gravita Impex Pvt. Ltd.	4.32	-
Rent paid		
Subsidiaries		
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Limited)	9.65	9.15

Closing balances with related parties :

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance outstanding as at year end		
Receivables / advances		
Subsidiaries		
Gravita Senegal S.A.U	214.18	43.35
Gravita Ghana Limited	688.41	52.87
Navam Lanka Limited	5.88	29.15
Gravita Mozambique LDA	90.16	-
Gravita Jamaica Limited	32.68	434.85
Gravita Ventures Limited	0.01	0.23
Met Mauritania Recycling SARL	110.00	588.86
Gravita Nicaragua S.A.	111.47	-
Gravita Mali SA	-	112.25
Gravita Ventures Limited	186.73	105.01
Gravita Netherlands BV	-	16.66
Recyclers Gravita Costa Rica S.A.	34.06	34.72
Mozambique Recyclers LDA	58.36	48.92
Gravita Tanzania limited	1,091.58	-
Recyclers Ghana Limited	1,245.36	-
Gravita Cameroon Limited	71.59	-

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Closing balances with related parties : (₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Recoverable from related party		
Subsidiaries		
Navam Lanka Limited	6.49	0.54
Gravita Ghana Limited	70.24	42.97
Gravita Senegal S.A.U	34.03	1.61
Noble Build Estate Private Limited	-	1.63
Gravita Netherlands BV	203.59	244.15
Gravita Nicaragua S.A.	-	1.55
Gravita Mozambique Lda	39.22	3.79
Gravita Ventures Limited	-	0.05
Payable – Others		
Subsidiaries		
Gravita Senegal S.A.U	652.48	965.81
Gravita Mozambique LDA	1,580.04	869.25
Gravita Nicaragua S.A.	-	19.16
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Limited)	115.93	7.18
Navam Lanka Limited	371.49	-
Noble Build Estate Private Limited	14.11	-
Partnership firms		
Gravita Infotech	0.02	-
Investment Balances		
Subsidiaries		
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Limited)	26.09	26.09
Gravita Ghana Limied	123.66	123.66
Gravita Global Pte Limited	728.60	728.60
Noble Build Estate Private Limited	74.96	74.96
Partnership firms		
M/s Gravita Metals (fixed and current investments)	640.01	438.84
M/s Gravita Metal Inc (fixed and current investments)	752.19	260.72
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech) (fixed and current investments)	8.53	19.18
M/s Recycling Infotech LLP (fixed and current investments)	(0.78)	(0.64)

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

(iii) Detail of transaction and balance outstanding with Key Managerial Personnel and their relatives:

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Managerial Remuneration		
Key management personnel*		
Mr. Rajat Agrawal	120.00	120.00
Dr. Mahavir Prasad Agarwal	120.00	120.00
Mr.Yogesh Malhotra	0.11	-

(Iv) Other Transactions (₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent paid		
Key management personnel		
Mr Rajat Agrawal	37.86	36.02
Relatives of key management personnel		
Mrs. Anchal Agrawal	5.74	5.45
Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	14.29	14.29
Shah Buildcon Private Limited	2.65	2.60
Jalousies India Private Limited	30.02	28.47

Category-wise break up of compensation to key management personal (₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Managerial Remuneration*		
Short-term benefits	256.16	256.05
Post-employment benefits	-	-

* Does not include provisions for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuations for the Comapany as a whole.

Closing balances with Key Managerial Personnel and their relatives : (₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Payables - Others		
Mr Rajat Agrawal	7.03	3.97
Dr. Mahavir Prasad Agrawal	6.15	5.35

Notes forming part of the Financial Statements [contd.]

for the year ended March 31, 2019

Note 47 - Fair Value hierarchy

Some of the Company's financial assets and liabilities are measured at fair value at the end of each reporting period.

The following table presents fair value hierachy of financial assets measured at fair value on a recurring basis:

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
Financial Assets				
Unrealised gain on Future commodity contracts	-	442.66	-	442.66
Total Financial assets	**-**	**442.66**	**-**	**442.66**
As at March 31, 2018				
Financial Assets				
Unrealised gain on Future commodity contracts	-	244.82	-	-
Total Financial assets	**-**	**244.82**	**-**	**-**

During the year ended March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in to and out of Level 3 fair value measurements.

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 other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the assets or liability.

(₹ in lacs)

Reconciliation of Level 3 fair value measurements	Financial guarantee contract
As at March 31, 2018	**-**
Guarantee taken	23.67
Expenditure recognised in profit or loss	23.67
As at March 31, 2019	**-**

For and on behalf of the Board of Directors

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place : Jaipur
Date : May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Independent Auditor's Report

To
The Members of
Gravita India Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Gravita India Limited ("the Parent") its subsidiaries and partnership firms (the Parent, its subsidiaries and partnership firms together referred to as "the Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at 31st March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and partnership firms referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The Group has adopted Ind AS 115 Revenue from Contracts with Customers. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of the revenue recognised. Refer note 1.2 "Significant Accounting Policies" and note 22 "Revenue from operations" to the Consolidated Financial Statements.	Principal audit procedure performed Our audit procedures included, obtaining an understanding of the Group's process of assessment around the impact of adoption of the new revenue accounting standard relating to the accounting for customer contracts; We evaluated design and implementation of internal controls, and tested the operating effectiveness of the internal controls around: • Implementation of the new revenue accounting standard; • Assessment of customer contracts and identification of the distinct performance obligations and determination of transaction price and allocation of transaction price over performance obligation.

		We examined and assessed the revised accounting policies of the Group in recognition of revenue upon adoption of the new revenue accounting standard, in light of the industry specific circumstances and our understanding of the business; We tested a sample of revenue contracts and identified distinct performance obligations including any variable considerations, in these contracts and further compared those performance obligation with that identified and recorded by the Group. Furthermore, we considered the terms of the contracts to validate the transaction price used by the Group and to assess the appropriateness of the revenue recognised.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Director's Report and Corporate Governance Report is expected to be made available to us after the date of this auditor's report.

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the trust, subsidiaries and partnership firms, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the trust, subsidiaries and partnership firms, is traced from their financial statements audited by the other auditors.

- When we read the Management Discussion and Analysis, Director's Report and Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 the 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

Other Matters

a). We did not audit the financial statements of 21 subsidiaries viz. Gravita Global Pte. Limited, Gravita Netherlands BV, Gravita Jamaica Limited, Gravita Ventures Limited, Gravita Senegal S.A.U., Gravita Nicaragua S.A., Gravita Mozambique LDA, Gravita USA Inc., Gravita Ghana Limited, Navam Lanka Limited, Recyclers Gravita Costa Rica S.A., Gravita Infotech Limited, Noble Build Estate Private Limited, Gravita Mali S.A., Gravita Cameroon Limited, Met Mauritania Recycling - SARL, Gravita Tanzania Limited, Recyclers Ghana Limited, Mozambique Recyclers LDA, Gravita Dominican S.A.S., Gravita Peru S.A.C. and a trust viz. Gravita Employee Welfare Trust and 4 partnership firms viz. M/s Gravita Metals Inc, M/s Gravita Metals, M/s Gravita Infotech and M/s Recycling Infotech LLP, included in the consolidated financial results, whose financial statements reflect total assets of ₹19,806.19 lacs as at 31st March, 2019, total revenues of ₹38,640.78 lacs and net cash inflows amounting to ₹ 383.52 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, trust and partnership firms, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and partnership firms is based solely on the reports of the other auditors.

b). The consolidated financial statements also include the Group's share of net loss of ₹1.36 lacs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of 1 associate Viz. Pearl Landcon Private Limited, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statement are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

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

b). In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c). The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e). On the basis of the written representations received from the directors of the Parent as on 31st March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31st March, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies incorporated in India to whom internal financial control over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g). With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i). The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 32 to the consolidated financial statement;

ii). The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts;

iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate company incorporated in India – Refer Note 16 to the consolidated financial statement.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)

Place: Jaipur
Date: May 28, 2019

Annexure "A" To The Indepedent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date).

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Gravita India Limited (hereinafter referred to as "Parent"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies 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 the respective 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.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)

Place: Jaipur
Date: May 28, 2019

Consolidated Balance Sheet as at March 31, 2019

(₹ in lacs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	2	13,558.11	10,767.31
(b) Capital work-in-progress	3	4,622.48	2,387.85
(c) Other Intangible assets	4	93.54	123.87
(d) Financial Assets			
(i) Investments	5	2.33	3.69
(ii) Loans	13 (a)	255.98	155.76
(iii) Others	7(a)	1.26	1.26
(e) Tax Assets (net)	10 (a)	10.34	73.22
(f) Other non current assets	8 (a)	1,752.35	1,004.64
		20,296.39	**14,517.60**
2 Current assets			
(a) Inventories	11	18,261.07	15,848.34
(b) Financial Assets			
(i) Loans	13 (b)	92.17	126.62
(ii) Trade receivables	6	9,646.41	11,315.36
(iii) Cash and cash equivalents	12 (a)	1,228.42	627.22
(iv) Bank balances other than (iv) above	12 (b)	958.60	1,030.88
(v) Others	7(b)	442.66	244.82
(c) Current Tax Assets (Net)	10 (b)	81.53	1.76
(d) Other current assets	8 (b)	6,246.12	5,467.03
		36,956.98	**34,662.03**
Total Assets		**57,253.37**	**49,179.63**
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	14	1,374.93	1,374.09
(b) Other equity		18,557.15	17,593.93
Equity attributable to owners of the Company		**19,932.08**	**18,968.02**
Non-controlling interests		466.74	490.39
Total Equity		**20,398.82**	**19,458.41**
2 Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,845.75	1,481.62
(b) Provisions	17 (a)	306.87	231.67
(c) Deferred tax Liabilities (net)	9	230.48	148.68
		3,383.10	**1,861.97**
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	21,170.01	21,075.11
(ii) Trade payables			
Total Outstanding dues to Micro and Small Enterprises	20	77.75	-
Total Outstanding dues to parties other than Micro and Small Enterprises	20	9744.66	4748.59
(iii) Other financial liabilities	16	1,072.12	831.71
(b) Other current liabilities	18	1,005.30	538.69
(c) Provisions	17 (b)	37.99	52.62
(d) Current tax Liabilities (net)	21	363.62	612.53
		33,471.45	**27,859.25**
		36,854.55	**29,721.22**
Total Equity and Liabilities		**57,253.37**	**49,179.63**

See accompanying notes to the Consolidated financial statements 1 to 47

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No. 094468

Rajat Agrawal
(Managing Director)
DIN:00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Place: Jaipur
Date: May 28, 2019

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No. FCS 9984

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lacs)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Income**			
	Revenue from operations	22	124,172.83	102,947.90
	Other income	23	544.99	158.79
	Total income (I)		**124,717.82**	**103,106.69**
II	**Expenses:**			
	(a) Cost of materials consumed	24	100,254.19	83,473.73
	(b) Excise duty		-	1,207.64
	(c) Purchases of Stock-in-trade	25	2,059.08	1,802.10
	(d) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	26	1,231.09	(4,422.11)
	(e) Employee benefits expense	27	6,347.40	5,205.68
	(f) Finance costs	28	2,299.99	1,740.36
	(g) Depreciation and amortisation expense	29	1,156.49	869.01
	(h) Other expenses	30	8,410.17	6,811.37
	Total expenses (II)		**121,758.41**	**96,687.78**
III	Share of profit of associates		(1.36)	0.10
IV	**Profit before tax (I - II + III)**		**2,958.05**	**6,419.01**
V	**Tax expense:**			
	(a) Current tax	31(a)	937.23	1,305.86
	(b) Deferred tax charge	31(b)	81.89	349.18
			1,019.12	**1,655.04**
VI	**Profit for the year (IV - V)**		**1,938.93**	**4,763.97**
VII	**Other comprehensive income (OCI)**			
	(a) **Items that will not be reclassified to profit or loss**			
	Remeasurements of the defined benefit liabilities		(3.17)	(31.87)
	Income tax relating to items that will not be reclassified to profit or loss	31(c)	1.11	11.03
	(b) **Items that may be reclassified to profit or loss**			
	Exchange differences in translating the financial statements of foreign operations		89.45	196.30
	Change in fair value of hedging instruments		0.73	-
	Income tax relating to items that may be reclassified to profit or loss	31(c)	(31.51)	(67.94)
	Other comprehensive income		**56.61**	**107.52**
VIII	**Total comprehensive income for the year (VI + VII)**		**1,995.54**	**4,871.49**
	Profit for the year attributable to:			
	- Owners of the Company		1,549.23	4,408.70
	- Non-controlling interests		389.70	355.27
			1,938.93	**4,763.97**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		70.99	112.46
	- Non-controlling interests		(14.38)	(4.94)
			56.61	**107.52**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		1,620.22	4,521.16
	- Non-controlling interests		375.32	350.33
			1,995.54	**4,871.49**
IX	**Earnings per share (of ₹ 2 each):**			
	Basic		2.26	6.42
	Diluted		2.25	6.39
	See accompanying notes to the Consolidated financial statements	1 to 47		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No:094468

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Place : Jaipur
Date : May 28, 2019

Consolidated Cash Flow Statement

for the year ended March 31,2019

(₹ in Lacs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit after tax		**1938.93**		**4763.97**
Adjustments for:				
Depreciation and amortisation	1,156.49		869.01	
Income taxes expenses	1,019.12		1,655.04	
Lease hold land amortisation	11.99		12.10	
Loss/(Profit) on sale of fixed assets	60.21		41.73	
Share of profit/ (loss) of associates	1.36		(0.10)	
Finance Cost	2,299.99		1,740.36	
Government grant	(1,129.21)		-	
Interest income on deposits	(46.61)		(61.78)	
Interest income on Income Tax Refund	(2.99)		(10.48)	
Interest income on loans and advances and others	(17.11)		-	
Expenses from financial guarantee contracts	4.32		-	
Expenditure on Share- based payments to employees	40.48		30.02	
Loss on impairment	474.54		-	
Liabilities / provisions no longer required written back	(43.36)		-	
Written off/provision for doubtful trade receivables, loans and advances	65.95		207.02	
		3,895.17		**4,482.92**
Operating profit before working capital changes		**5834.10**		**9246.89**
Changes in working capital				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(2,412.73)		(4,911.41)	
Trade receivables	1,603.00		(5,495.70)	
Other current and non-current assets	(267.25)		(207.97)	
Other current financials assets	(197.84)		(244.82)	
Non-current loans	(100.22)		(7.99)	
Current loans	34.45		(23.07)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	5,117.18		3,338.57	
Other current financials liabilities	1.25		(9.73)	
Other current liabilities	466.61		(938.08)	
Non-current and Current Provisions	57.40		45.23	
		4,301.85		**(8,454.98)**
Cash generated from operations		**10135.95**		**791.91**
Net income tax paid/ (refunds)		(1,233.52)		(1,046.69)
Net cash flow from / (used in) operating activities (A)		**8,902.43**		**(254.78)**

Consolidated Cash Flow Statement [contd.]

for the year ended March 31, 2019

(₹ in Lacs)

	Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
B.	**Cash flow from Investing Activities**				
	Payments for property, plant and equipment including Intangible assets (net of process from disposal of Property, plant and equipment)	(6,774.26)		(4,053.27)	
	Proceeds from Investment in non-current fixed deposits	-		70.00	
	Interest income	66.71		72.26	
	Movement in bank balances not considered as cash and cash equivalents	72.28		(281.15)	
	Net cash flow from / (used in) investing activities (B)		**(6,635.27)**		(4,192.16)
C.	**Cash flow from Financing Activities**				
	Proceeds from issue of equity shares	0.84		4.74	
	Proceeds from borrowings (net)	1,775.74		6,688.23	
	Movment in share application money	-		(2.19)	
	Payment for purchase of treasury shares	(117.30)		(100.91)	
	Finance cost	(2,346.09)		(1,715.71)	
	Dividends paid	(979.15)		(826.51)	
	Net cash flow (used in)/ from financing activities (C)		**(1,665.96)**		**4,047.65**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**601.20**		**(399.28)**
	Cash and cash equivalents at the beginning of the year		627.22		1,026.50
	Cash and cash equivalents at the end of the year		**1,228.42**		**627.22**

The above cash flow has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS-7) - Statement of cashflow.

See accompanying notes to the Consolidated Financial Statements 1 to 47.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner
Membership No: 094468
Place: Jaipur
Date: May 28, 2019

Rajat Agrawal
(Managing Director)
DIN: 00855284

DR. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Sunil Kansal
(Chief Financial Officer)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Consolidated Statement of changes in Equity

for the year ended March 31,2019

a. Equity share capital

(₹ in Lacs)

Particulars	Amount
Balance as at April 1, 2017	**1,369.35**
Changes in equity share capital during the year	4.74
Balance as at March 31, 2018	**1,374.09**
Changes in equity share capital during the year	0.84
Balance as at March 31, 2019	**1,374.93**

b. Other equity

(₹ in Lacs)

Particulars		Other equity								
		Reserves and surplus				Items of OCI	Attributable to owners of the parent	Non-controlling interests	Total
		Securities premium[1]	General reserve[2]	Share Options Outstanding account[3]	Surplus in Statement of Profit and Loss[4]	Hedge Reserve[5]	Foreign currency translation reserve[6]			
Balance as at March 31, 2017		**4,110.47**	**517.90**	**89.10**	**9,115.79**	**-**	**(188.51)**	**13,644.75**	**465.48**	**14,110.23**
1	Profit for the year	-	-	-	4,408.70	-	-	4,408.70	355.27	4,763.97
2	Other comprehensive income for the year (net of income tax)	-	-	-	(20.84)	-	196.30	175.46	(4.94)	170.52
3	Tax on Foreign currency translation	-	-	-		-	(67.94)	(67.94)		(67.94)
Total comprehensive income for the year		**-**	**-**	**-**	**4,387.86**	**-**	**128.36**	**4,516.22**	**350.33**	**4,866.55**
4	Amount transferred from stock option outstanding and premium on exercise of ESOP's	49.11	-	-	-	-	-	49.11	-	49.11
5	Gross compensation for options forfeited/ exercised during the year	-	-	(49.11)		-	-	(49.11)	-	(49.11)
6	Final dividend on equity shares	-	-	-	(412.23)	-	-	(412.23)	(292.88)	(705.11)
7	Tax on final dividend on equity shares	-	-	-	(83.92)	-	-	(83.92)	(32.54)	(116.46)
8	Amount adjusted for treasury shares	-	-	-	(100.91)	-	-	(100.91)	-	(100.91)
9	Amount transferred to stock options outstanding during the vesting period	-		30.02		-	-	30.02	-	30.02
Balance as at March 31, 2018		**4,159.58**	**517.90**	**70.01**	**12,906.59**	**-**	**(60.15)**	**17,593.93**	**490.39**	**18,084.32**

Consolidated Statement of changes in Equity [Contd.]

for the year ended March 31,2019

(₹ in Lacs)

Particulars	Other equity								
	Reserves and surplus					Items of OCI	Attributable to owners of the parent	Non-controlling interests	Total
	Securities premium(1)	General reserve(2)	Share Options Outstanding account(3)	Surplus in Statement of Profit and Loss(4)	Hedge Reserve(5)	Foreign currency translation reserve(6)			
Balance as at March 31, 2018	**4,159.58**	**517.90**	**70.01**	**12,906.59**	**-**	**(60.15)**	**17,593.93**	**490.39**	**18,084.32**
1 Profit for the year	-	-	-	1,549.23	-	-	1,549.23	389.70	1,938.93
2 Other comprehensive income for the year (net of income tax)	-	-	-	(3.17)	0.73	103.83	101.39	(14.38)	87.01
3 Tax on Foreign currency translation	-	-	-	1.11	(0.26)	(31.25)	(30.40)	-	(30.40)
Total comprehensive income for the year	**-**	**-**	**-**	**1,547.17**	**0.47**	**72.58**	**1,620.22**	**375.32**	**1,995.54**
4 Amount transferred from stock option outstanding and premium on exercise of ESOP's	13.86	-	-	-	-	-	13.86	-	13.86
5 Gross compensation for options forfeited/ exercised during the year	-	-	(13.86)	-	-	-	(13.86)	-	(13.86)
6 Final dividend on equity shares	-	-	-	(481.24)	-	-	(481.24)	-	(481.24)
7 Tax on final dividend on equity shares	-	-	-	(98.94)	-	-	(98.94)	(398.97)	(497.91)
8 Amount adjusted for treasury shares	-	-	-	(117.30)	-	-	(117.30)	-	(117.30)
9 Amount transferred to stock options outstanding during the vesting period	-	-	40.48	-	-	-	40.48	-	40.48
Balance as at March 31, 2019	**4,173.44**	**517.90**	**96.63**	**13,756.28**	**0.47**	**12.43**	**18,557.15**	**466.74**	**19,023.89**

Consolidated Statement of changes in Equity [Contd.]

for the year ended March 31, 2019

1. The Security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

2. The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

3. The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 44.

4. The amount that can be distributed as dividend by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

5. For effective portion of cash flow hedge Refer note (1.2) (IX) (b) (ii).

6. Exchange differences relating to translation of the results and net assets of the group's foreign operations from their functional currency in to group presentation currency (i.e. ₹) are recognized in Other Comprehensive Income and accumulated in Foreign currency translation reserve. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Profit and loss on disposal of foreign operation.

See accompanying notes to the Consolidated financial statements 1 to 47

In terms of our report attached.

For Deloitte Haskins & Sells

Chartered Accountants

Vijay Agarwal
Partner
Membership No: 094468

For and on behalf of the Board of Directors

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Place : Jaipur
Date : May 28, 2019

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 1 - General information and Significant Accounting Policies

Note 1.1 - General Information

Gravita India Limited ('The Company') is a public limited company domiciled and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).The registered office of the Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Bhuj (Gujrat), Chittoor (Andhra Pradesh), Kathua (Jammu and Kashmir), Ghana (East Africa), Mirigama (Sri Lanka), Mozambique (East Africa) and Senegal (East Africa). Gravita India Limited together with its subsidiaries and associate is hereinafter referred to as "Group".

The Principal activities of the Group are - Lead Processing, Aluminium Processing, Trade (Lead products and Aluminium Scrap) and dealing in Lead and Turn-key Lead Recycling Projects. The Group carry out smelting of Lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. further, Group has also entered in the PET product manufacturing.

The consolidated financial statements for the year ended March 31, 2019 were issue and approved by the Audit Committee and Board of Directors on May 28, 2019.

Note 1.2: Significant Accounting Policies

I) Statement of compliance and Basis of Preparation and presentation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, relevant amendment rules issued there after and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

Accounting policies have been consistently applied except below:

(i) During the year, the Company has opted to follow hedge accounting (Refer note IX b(ii)) for further details.

(ii) where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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 Group 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 leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable 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.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

II) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. The company controls an entity when the Company is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

a. The consolidated financial statements have been prepared on the following basis:

ii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expense, each component of other comprehensive income and cash flows, after fully eliminating intra-group balances, intra-group transactions and unrealized profit or losses on intra group transactions including tax adjustment thereon.

iii. Interest in associate is accounted for using the equity method of accounting. Accordingly, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profit or losses of the investee in profit and loss, and share of other comprehensive income of the investee in other comprehensive income.

iv. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

v. Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the date of investments.

vi. The excess of the cost of the Company of its investments in subsidiary company over the Company's portion of the equity of the subsidiary at the date on which investments were made is recognized in the consolidated financial statements as goodwill and is tested for impairment. However, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

b. Following subsidiaries and associate have been considered in the preparation of the consolidated financial statements:

Name of the subsidiary	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Gravita Infotech Limited (Formerly known as M/s Gravita Exim Ltd)	India	100.00	100.00
M/s Gravita Metals	India	100.00	100.00
M/s Gravita Metal Inc	India	100.00	100.00
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	India	100.00	100.00
M/s Recycling Infotech LLP	India	100.00	100.00
Gravita Employee Welfare Trust	India	100.00	100.00
Noble Build Estate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal S.A.U	Senegal	100.00	100.00
Gravita Nicaragua S.A.	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc.	USA	100.00	100.00

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Name of the subsidiary	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Gravita Mali SA	Mali	100.00	100.00
Gravita Cameroon Limited	Cameroon	100.00	100.00
Met Mauritania Recycling SARL (Formerly known as Gravita Mauritania SARL)	Mauritania	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Ltd.	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Gravita Dominican SAS	Dominican Republic	100.00	100.00
Gravita Peru SAC (incorporated on November 7, 2018)	Peru	100.00	-

- Associate:

Name of the associate	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
Pearl Landcon Private Limited	India	25.00	25.00

III). Revenue recognition

Effective April 1, 2018, the Group has applied Ind AS 115 'Revenue from contracts with customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The impact of the adoption of the standard on the financial statements of the Group is insignificant.

Upon application of Ind AS 115, Revenue is recognized upon transfer of control of promised goods or services to the customers. The point at which control passes is determined by each customer arrangement when there is no unfulfilled obligation that could affect the customer's acceptance of goods or services. The point at which control passes is determined by each customer arrangement/ category of customer arrangement.

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices.

Revenue is measured based on the transaction price i.e. the consideration to which the Group expects to be entitled from a customer, net of adjustment for volume discounts, returns and allowances, trade discounts and volume rebates. Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly. Revenue includes excise duty but excludes goods and services tax.

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

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

Export Benefits: Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainity in receiving the same.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

IV) Property, Plant and Equipment

i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP. Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

   Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets. All repair and maintenance costs are recognised in profit or loss as incurred. Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

   When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

   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 ready to use before such date are disclosed under 'Capital work-in-progress'.

ii. Capital work-in-progress - Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

V) Intangible Assets :

i. Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

   Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

   Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives of the intangible assets considering the terms of the business purchase agreements are 3 -5 years.

   The Group has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

   The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

ii. Intangible assets under development
   Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

VI) i. Depreciation / Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Group based on technical evaluation, 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. and are as under:

Estimated useful lives :-

Asset	Useful Life
Buildings	5 - 60 years
Plant and Equipment	15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Computer and accessories	3- 6 years
Office Equipments	5 years

Freehold land is not depreciated.

Depreciation is calculated on a pro rata basis except that, assets costing upto ₹ 5,000 each are fully depreciated in the year of purchase An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

ii. Impairment

- **Financial Assets:** The Group recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

- **Non - Financial Assets :** The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

  In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Statement of Profit and Loss as a component of depreciation and amortisation expense.

  A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

VII) Borrowing Costs

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 profit or loss in the period in which they are incurred.

VIII) Foreign Currency Transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

The results and financial position of Group's foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as under:

- Assets and liabilities are translated at the closing exchange rate at the end of each reporting period.

- Income and expenses are translated at average exchange rates, and

- All resulting exchange differences are recognized in other comprehensive income.

IX) Financial Instruments

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

(a) Non derivative financial instruments

(i) Financial assets carried at amortised cost :

A financial asset is subsequently measured at amortised cost if it is held 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.

(ii) Financial liabilities: The Group's financial liabilities includes borrowings, trade and other payables.

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

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.

(b) Derivative financial instruments and hedge accounting

(i) Financial assets or financial liabilities, at fair value through profit or loss:

Initial recognition and subsequent measurement

The Group holds derivative financial instruments such as foreign exchange forward and option contracts, foreign currency loan from banks to mitigate the risk of changes in exchange rates on foreign currency exposures.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

(ii) Cash flow hedge:

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

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

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

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

When a financial liabilities/ derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the financial liabilities/ derivative is recognized immediately in the net profit in the Statement of Profit and Loss.

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

De-Recognition of financial Instrument:

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) The contractual rights to receive cash flows from the asset have expired;
b) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
    (a) the Group has transferred substantially all the risks and rewards of the asset, or
    (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

X) Non- current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

XI) Cash Flow Statement

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

XII) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is Expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period and all other assets are classified as non-current. A liability is current when It is expected to be settled in normal operating cycle It is held primarily for the purpose of trading It is due to be settled within twelve months after the reporting period, or There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

XIII) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

(b) Stock in trade, Stock in process and finished goods- Direct cost plus appropriate share of overheads and GST, wherever applicable

(c) By products - At estimated realisable value Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

XIV) Employee Benefits

Employee benefit includes Provident Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences, which are dealt with as under:

i) **Defined Contribution plan** - Contributions to provident fund and employee state insurance scheme are charged to statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees.

ii) **Defined benefit plan -** The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, wherever applicable. The Group makes contribution to the trust namely Gravita Employees Gratuity Trust for Employees Gratuity Scheme. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

iii) **Compensated absences -** Provision for earned leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

iv) **Short term employee benefit -** Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

v) **Share based payment** - Equity settled share based payments to employees under Gravita ESOP 2011 Scheme are measured at the fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

XV) Contingent Liabilities and Provisions

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Group has a legal / constructive obligation as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

XVI) Leases

The determination of whether and arrangement is (or contains) a lease is based on the substance of an arrangement at inception date: whether fullfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Group's benefit. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

XVII) Earnings Per Share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

XVIII) Income Taxes

Income tax assets and liabilities are mesaured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

XIX) Use of Estimates and Judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i). Useful lives and residual value of property, plant and equipment and intangible assets: Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii). Deferred tax assets: The Group reviews the carrying amount of deferred tax assets including Minimum Alternate Tax (MAT) credit 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.

iii). Revenue Recognition: The Group's contracts with customers includes promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes the significant financing component. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine and appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to alocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the control of products/ services has been transferred or not. The Company cosiders indicators such as how customer obtains benefits as products are dispatched or whether customer has obtained legal title to the products or existence of enforceable right to payment for perfomance to date and alternate use of such product or service, transfer of signifcant risks and rewards to the customer, acceptance of delivery by the customer, etc.

iv). Claims & litigation: In ordinary course of business, the Company faces claims by various parties/tax authorities. The Group assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

v). Trade Recievable: The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

XX) Treasury Shares

The Group has formed Gravita Employee Welfare Trust, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust bought shares of the Group from the market, for giving shares to employees. The Group treats Trust as its extension and shares held by Trust are treated as treasury shares. Own equity instruments ("treasury shares") which are reacquired through Gravita Employee Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium. Share options exercised during the reporting period are satisfied with treasury shares.

XXI) Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

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

XXII) Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in a profit or loss of the period in which it becomes receivable. Government grants shall be recognised in profit or loss on a systematic basis over the period in which the Group recognises as expenses the related cost for which the grants are intended to compensate. Government grants related to assets present in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets.

XXIII) Operating Cycle:

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

XXIV) Cash and Cash Equivalents:

Cash and Cash equivalents in the balance sheet comprise cash at banks and which are subject to an insignificant risk of changes in value.

XXV) Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements:

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, has notified Ind AS 116, 'Leases' (a new lease standard), Appendix C to Ind AS 12, 'Uncertainty over Income Tax Treatments' and amendment in Ind AS 19, 'Employee Benefits'. These amendments are applicable to the Group from April 1, 2019.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Ind AS 116, “Leases:”

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss.

The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right to use of asset either as:

Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date of initial application or An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

“Appendix C to Ind AS 12, ‘Uncertainty over Income Tax Treatments’:

Appendix C to Ind AS 12 , Uncertainty over Income Tax Treatments clarifies that while determinating the taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

There is no impact of this appendix on Group.

Amendment to Ind AS 12 – Income taxes:

Amendment in Ind AS 12, ‘Income Taxes’, clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The Group is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19, ‘Employee Benefits’:

Amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 2 - Property, Plant and Equipment

as at March 31, 2019 & March 31, 2018

(₹ in lacs)

Particulars	Freehold land	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Cost								
As at March 31, 2017	987.83	2,633.46	2,530.64	252.50	92.24	87.53	575.10	7,159.30
Additions during the year	4.93	1,187.37	3,131.37	163.58	25.58	43.84	479.92	5,036.59
Disposals/ Adjustments	-	(2.87)	(183.86)	(9.56)	(9.75)	(2.50)	(101.13)	(309.67)
Translation difference	2.11	(0.28)	10.59	0.11	0.05	0.05	5.57	18.20
As at March 31, 2018	**994.87**	**3,817.68**	**5,488.74**	**406.63**	**108.12**	**128.92**	**959.46**	**11,904.42**
Additions during the year	139.50	1,940.13	1,560.97	178.90	21.61	89.96	142.73	4,073.80
Disposals/ Adjustments	-	(44.19)	(148.19)	(4.66)	(2.75)	(1.76)	(40.22)	(241.77)
Translation difference	(1.12)	(6.46)	1.27	(0.45)	0.06	(0.11)	(4.63)	(11.44)
As at March 31, 2019	**1,133.25**	**5,707.16**	**6,902.79**	**580.42**	**127.04**	**217.01**	**1,057.34**	**15,725.01**
Depreciation								
As at March 31, 2017	-	89.47	270.71	22.83	26.46	11.24	87.96	508.67
Charge for the year	-	106.75	484.36	38.65	30.94	12.74	120.55	793.99
Deletions	-	(0.39)	(115.04)	(3.91)	(7.87)	(0.93)	(41.09)	(169.23)
Translation difference	-	1.08	3.25	0.07	0.01	0.01	(0.74)	3.68
As at March 31, 2018	**-**	**196.91**	**643.28**	**57.64**	**49.54**	**23.06**	**166.68**	**1,137.11**
Charge for the year	-	176.09	671.98	62.11	30.67	18.73	165.00	1,124.58
Deletions	-	(3.57)	(47.37)	(0.95)	(2.16)	(0.95)	(26.89)	(81.89)
Translation difference	-	(1.63)	(8.77)	(0.19)	(0.01)	(0.10)	(2.20)	(12.90)
As at March 31, 2019	**-**	**367.80**	**1,259.12**	**118.61**	**78.04**	**40.74**	**302.59**	**2,166.90**
Net block								
As at March 31, 2019	**1,133.25**	**5,339.36**	**5,643.67**	**461.81**	**49.00**	**176.27**	**754.75**	**13,558.11**
As at March 31, 2018	**994.87**	**3,620.77**	**4,845.46**	**348.99**	**58.58**	**105.86**	**792.78**	**10,767.31**

(i) For lien/ charge against Property, plant and equipment, refer note 15 & 19.

(ii) For information on borrowing costs capitalised during the year, refer note 28.

(ii) For information on depreciation capitalised during the year, refer note 29.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 3 - Capital work-in-progress

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital work-in-progress	4,622.48	2,387.85
Total	**4,622.48**	**2,387.85**

Note 4 - Other Intangible assets

As at March 31, 2019 and March 31, 2018

(₹ in lacs)

Particulars	Computer Software	Total
Cost		
As at March 31, 2017	**149.45**	**149.45**
Additions during the year	44.51	44.51
Disposals/ Adjustments	(3.60)	(3.60)
Translation difference	(0.03)	(0.03)
As at March 31, 2018	**190.33**	**190.33**
Additions during the year	14.69	14.69
Disposals/ Adjustments	(4.85)	(4.85)
Translation difference	(0.01)	(0.01)
As at March 31, 2019	**200.16**	**200.16**
Depreciation		
As at March 31, 2017	**32.15**	**32.15**
Charge for the year	37.62	37.62
Deletions	(3.30)	(3.30)
Translation difference	(0.01)	(0.01)
As at March 31, 2018	**66.46**	**66.46**
Charge for the year	45.03	45.03
Deletions	(4.86)	(4.86)
Translation difference	(0.01)	(0.01)
As at March 31, 2019	**106.62**	**106.62**
Net block		
As at March 31, 2019	**93.54**	**93.54**
As at March 31, 2018	**123.87**	**123.87**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 5 - Non-current investments

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in associates		
Unquoted (using equity method of accounting)		
Pearl Landcon Pvt. Ltd.	2.27	3.63
Total investments in associates	**2.27**	**3.63**
Investment in Government securities		
Unquoted (valued at amortised cost)		
National saving certificate	0.06	0.06
Total investments in Government securities	**0.06**	**0.06**
Total investments	**2.33**	**3.69**
Aggregate amount of unquoted investments	2.33	3.69

Note 6 - Trade Receivables

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	9,646.41	11,315.36
Doubtful	138.49	79.01
Less Loss Allowance	(138.49)	(79.01)
	9,646.41	**11,315.36**

(i) The credit period generally allowed on sales varies, on case to case basis, business to business, based on market conditions. Maximum credit period allowed is upto 120 days.

(ii) For parri passu charge on trade receivables, refer note 15 and 19.

(iii) Age of receivables:

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
within the credit period	7,346.11	7,829.07
1 to 180 days past due	2,146.84	3,482.33
More than 180 days past due (gross of provision of ₹138.49 lacs; March 31, 2018 ₹79.01 lacs)	291.95	82.97

(iv) Transfer of inancial asset:

During the year, the Group discounted trade receivables to a bank for cash proceeds. If the trade receivables are not paid at maturity, the bank has the right to request the Group to pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as a secured borrowing.

At the end of the reporting period, the carrying amount of the trade receivables that have been transferred but have not been derecognised amounted to ₹1803.92 lacs (at year ended March 31, 2018 ₹917.85 lacs) and the carrying amount of the associated liability is ₹1803.92 lacs (at year ended March 31, 2018 ₹917.85 lacs) (see note 19).

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 7 - Financial Assets - Others

(₹ in lacs)

Particulars		As at March 31, 2019	As at March 31, 2018
(a) Non Current			
Fixed deposits with more than 12 months maturity*		1.26	1.26
	Total (a)	**1.26**	**1.26**
(b) Current			
Derivatives designated at fair value through profit or loss			
- Unrealised gain/(loss) on future commodity contracts		442.66	244.82
	Total (b)	**442.66**	**244.82**

* Represent lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

Note 8 - Other assets

(₹ in lacs)

Particulars		As at March 31, 2019	As at March 31, 2018
Unsecured, considered good			
(a) Non Current			
Capital advances		327.05	270.58
Advances other than capital advances			
Prepaid expenses-non current		3.38	41.26
Prepaid lease (leasehold land)		640.56	652.35
Others (amount deposited with Government authorities)		781.36	40.45
	Total (a)	**1,752.35**	**1,004.64**
(b) Current			
Advances to vendors		3,732.81	3,045.32
Advances to employees		136.53	89.35
Prepaid expenses		199.41	65.56
Prepaid lease (leasehold land)		11.70	12.00
Others (amount deposited with Government authorities)		2,165.67	2,254.80
	Total (b)	**6,246.12**	**5,467.03**

Note 9 - Deferred tax assets (net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax effect of items constituting deferred tax assets		
Minimum alternate tax credit entitlement	406.20	352.09
Provision for gratuity and compensated absences	125.06	86.22
Provision for doubtful debts and advances	75.01	27.61
Other temporary differences	9.29	27.78
	615.56	**493.70**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
Tax effect of items constituting deferred tax liability		
Property, plant and equipment and intangible assets	746.85	574.45
Exchange difference on foreign operations	99.19	67.93
Other temporary differences	-	-
Deferred tax assets (net)	**(230.48)**	**(148.68)**

Note 10 - Tax Assets (Net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Non Current		
Advance income tax and tax deducted at source receivables	10.34	73.22
	10.34	**73.22**
(b) Current		
Advance income tax and tax deducted at source receivables	81.53	1.76
	81.53	**1.76**

Note 11 - Inventories *

(At lower of cost and net realisable value)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Raw materials and bought out components	4,940.03	2,869.53
Goods-in-transit	4,574.39	2,907.05
(b) Work-in-progress	2,870.86	4,273.07
(c) Finished goods (other than those acquired for trading)	2,468.65	4,095.95
Goods-in-transit	2,136.33	282.59
(d) Stock-in-trade (in respect of goods acquired for trading)	93.86	149.18
(e) Stores and spares	808.18	848.23
(f) Consumables	368.77	298.34
Goods-in-transit	-	124.40
	18,261.07	**15,848.34**

* Parri passu charge on Inventories refer note 15 and 19.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 12 - Cash and cash equivalents

(₹ in lacs)

Particulars		As at March 31, 2019	As at March 31, 2018
(a) Cash and cash equivalents			
Balances with banks			
-on current accounts		905.60	526.98
-on deposits		5.97	-
Cash on hand		46.92	55.17
Cheques on hand		269.93	45.07
	Total (a)	**1,228.42**	**627.22**
(b) Bank balances Other than (a) above			
Other bank balances			
(i) Fixed Deposit		299.01	297.16
(ii) In earmarked accounts			
Unclaimed dividend account		3.73	2.49
Balances held as margin money against borrowings		655.86	731.23
	Total (b)	**958.60**	**1,030.88**

Note 13 - Loans

(₹ in lacs)

Particulars		As at March 31, 2019	As at March 31, 2018
(a) Non current, Unsecured, considered good			
(i) Security deposits		255.98	155.76
	Total (a)	**255.98**	**155.76**
(b) Current, Unsecured, considered good			
(i) Security deposits		92.17	126.62
	Total (b)	**92.17**	**126.62**

Note 14 - Equity share capital

(₹ in lacs, except number of Equity shares)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹2 each	75,000,000	1,500.00	75,000,000	1,500.00
	75,000,000	**1,500.00**	**75,000,000**	**1,500.00**
Issued, subscribed and fully paid up				
Equity shares of ₹2 each	68,746,714	1,374.93	68,704,614	1,374.09
Total	**68,746,714**	**1,374.93**	**68,704,614**	**1,374.09**

(a) Changes in equity share capital during the year : (₹ in lacs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	68,704,614	1,374.09	68,467,514	1,369.35
Add : Shares issued during the year-ESOP	42,100	0.84	237,100	4.74
Shares outstanding at the end of the year	**68,746,714**	**1,374.93**	**68,704,614**	**1,374.09**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(b) Shareholder holding more than 5 percent shares :

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares with voting rights				
Mr. Rajat Agrawal	32,677,725	47.53	32,677,725	47.56
Agrawal Family Private Trust	17,348,025	25.23	17,348,025	25.25

Note 15 - Non - current financial liabilities - Borrowings (at amortised cost)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
(a) Term loans from banks*		
-Vehicle Loans	93.63	189.41
-Term Loan	2,850.57	1,063.39
-Corporate Loan (I and II)	-	245.92
Less:		
Loan processing fees	(98.45)	(17.10)
	2,845.75	**1,481.62**

There have been no breach of covenants mentioned in the loan agreements during the reporting periods.

Notes :-

1. Vehicle loan from banks of ₹229.65 lacs (March 31, 2018: ₹352.45 lacs) carry interest ranging from 8.40% p.a. to 9.90% p.a. The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 31 to 60 Month

2. Corporate loan-I of ₹200.07 lacs (March 31, 2018 ₹285.92 lacs) with currency swing option@ 6months @ LIBOR +3.25% P.A. on fully hedged basis. The Rupee loan carry interest rate 14.95% p.a. The loan is repayable in 23 quarterly installments commencing from March 31, 2016 and ending on September 30, 2021. The loan is secured by way of following:

   a) First parri-passu charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc. and book debts (both present and future), along with other banks.

   b) Second charge over the entire fixed assets of the Company both present and future (including Equitable Mortgage (EM) of properties disclosed under Note-2) excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of Chittoor plant.

   Corporate loan II of ₹155.90 lacs (March 31, 2018: ₹201.93 lacs) with currency swing option@ 6months @ LIBOR +3.25% P.A. on fully hedged basis. The loan is secured by way of following:

   a). First pari-passu over the entire fixed assets of the Company both present and future (including Equitable Mortgage (EM) of properties disclosed under Note-2) excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of asset situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor,Andhra Pradesh Chittoor plant.

   b). First pari-passu charge by way of equitable mortgage of flat no. 203, on first floor in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.

   c). First pari-passu charge by way of equitable mortgage of land and house HIG, SFS Block 3, plot no 90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited.(Related Party)

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

d). Second charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc. and book debts (both present and future), along with other banks.

3). PNB Term Loan of ₹1,001.38 lacs (March 31, 2018: ₹1,356.10 lacs) @ 11.65% P.A. The loan is repayable in 22 quarterly installments commencing from October 1, 2017 and ending on January 1, 2023. The loan is proposed to be secured by way of following:

a). First pari-passu charge on the entrie block assets present and future of the Chittor project. Value after completion of project shall be ₹22.59 Crore

b). Second pari-passu charge on following Immovable Properties:

Land & Building at Jaychand Ka Bas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Khasra no. 209/1/5/3, 209/1/4/1, 209/1/5/1 and 209/1/5/2.

Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur Residential Land & H No. 3/90, Mansarovar, Jaipur

c). Personal guarantee of Managing Director Mr. Rajat Agrawal.

d). Corporate guarantee of M/s Gravita Impex Pvt Ltd (Related Party)

e). Second Charges on Property situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehil Sanganer Distt-Jaipur

4). TATA Term Loan of ₹580 lacs (March 31, 2018: ₹ NiL) @ 10.50% P.A. The loan is repayable in 60 quarterly installments commencing from November 27, 2018 and ending on November 2023. The loan is proposed to be secured by way of following:

a). First pari-passu charge by way of mortgage over industrial property in the name of the Borrower sluated at Survey No 233/15 to 233/30, Tiruthani Road, Ananthapuram Panchayat Narasingha Rayani Post Chittoor, Andhra Pradesh.

b). First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittor plant with PNB. (FACR of minimum 1.1x to be maintained over Chittoor plant and Land & Building)

c). Second Pari passu charge by way of Hypothecation over the entire movable fixed assets of the Borrower (excluding vehicles & assets of Mahindra SEZ Project & Chittoor Plant).

d). Second Paripassu charge by way of Mortgage over the below mentioned immovable assets:

- Land & Building at Harsulia Mod, Diggi Malpura Road, Phagi, Jaipur Khasra 209/1/5/3, 209/1/4/1, 209/1/5/1.

- Land & Building at Harsulia Mod, Diggi Malpura Road, Phagi. Jaipur Khasra No 209/1/5/2.

- Flat 302, Flat no. 403,and Flat no. 401,in Rajputana Tower situated at Plot No A-27-B, Shanti Path Tilak Nagar, Jaipur.

- Flat no. 203, in Rajputana Tower situated at plot no, A 27-B, Tilak Nagar Shanti Path Jaipur of Managing Director Mr. Rajat Agrawal.

-Land & house HIG, SFS Block-3, Plot 90, Mansarovar, Jaipur of Gravita Impex Pvt Ltd.

5). ICICI Term Loan of ₹1,788.99 lacs (March 31, 2018 ₹Nil) @ 4.47% P.A. The loan is repayable in 16 quarterly installments commencing from Feb 21,2020 and ending on Nov 21, 2023. The loan is secured by way of following:

a). Exclusive charge on industrial Land, Building and Other Assets located at Plot No. PA-011-006,SEZ,Village kalwar,Tehsil Snaganer,Jaipur.

b). Personal guarantee of Managing Director Mr. Rajat Agrawal.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 16 - Other financial liabilities

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Current maturities of long terms debt (refer note 15)	1,011.79	695.08
Interest accrued on borrowings	6.43	52.53
Unclaimed dividends	3.74	2.49
Payable for purchase of fixed assets	50.16	81.61
	1,072.12	**831.71**

*As at March 31, 2019, there is no amount due and outstanding to be transferred to the IEPF by the Group

Note 17 - Provisions

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Long - term		
Provision for employee benefits (refer note 43)		
Provision for gratuity (net)	228.10	181.58
Provision for compensated absences	78.77	50.09
Total (a)	**306.87**	**231.67**
(b) Other than Long term		
Provision for employee benefits (refer note 43)		
Provision for gratuity (net)	33.16	42.59
Provision for compensated absences	4.83	10.03
Total (b)	**37.99**	**52.62**

Note 18 - Other Liablities

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Advance received from customers	297.19	279.12
Deferred Income	22.86	-
Security Deposits received	1.16	-
Other payables		
-Statutory remittances*	415.32	66.47
-others	268.77	193.10
	1,005.30	**538.69**

*Include contribution to Provident Fund and ESI, Withholding Taxes, Goods and Services Tax and Professional Tax.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2 019

Note 19 - Current financial liabilities - Borrowings (at amortised cost)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand		
From banks		
Cash credit / overdraft	10,092.81	9,914.35
Packing credit	5,764.79	4,794.38
Foreign currency loans - buyers credit	-	4,393.03
Amounts due on factoring (Refer note (i)(d) below)	1,803.92	917.85
ST borrowing-Foreign currency loans-Suppliers credit	1,511.36	-
Working capital Demand Loan	1,997.13	-
Unsecured		
Term Loan from others	-	1,055.50
	21,170.01	**21,075.11**

(i) Loans repayable on demand from banks are secured by way of:

a). First pari-passu charge over the entire current assets of the Company including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc and book debts (both present and future) and movable machinery.

b). First pari-passu charge on the entire fixed assets of the Company both present and future, excluding vehicles and entire assets situated at Plot No. P.A. 011-66, Light Engineering Zone, Mahindra World City - Sez, Jaipur and assets of chittoor plant, but including the following:

(i) Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.

(ii) Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur.

c). First pari-passu charge on the following other assets:

(i) Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party).

(ii) Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.

d). Charge over certain of the Company's trade receivables (refer note 6(iv)).

e). Personal guarantee of Managing Director Mr. Rajat Agrawal.

f). Corporate guarantee of M/s Gravita Impex Private Limited (related party).

g). Second pari passu charge on the fixed assets of Chttoor Plant both present and future including land and building , plant and machinery and other fixed assets.

h). Corporate guarantee of M/s Noble Buildstate Private Limited (related party).

Note 20 - Trade payables

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables (including acceptance)*		
Outstanding dues to Micro and Small enterprises (refer note 35)	77.75	-
Outstanding dues to parties other than Micro and Small enterprises	9744.66	4,748.59
	9,822.41	**4,748.59**

* Acceptances include arrangements where operational suppliers of goods and services are initially paid by bank financial institutions while the Group continues to recognise the liability till settlement with the bank financial institutions,which are normally effected within a period of 90 days, amounting to ₹4,738.78 lacs (March 31, 2018: Nil).

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 21 - Tax Liabilities (Net)

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax liabilities		
Provision for taxation*	363.62	612.53
	363.62	**612.53**

* includes interest on income tax of ₹7.69 lacs (March 31, 2018: ₹ 17.33 lacs)

Note 22 - Revenue from operations

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products (including excise duty)	-	
Manufactured goods	120,252.29	100,156.70
Traded goods	2,452.45	2,576.35
Total	**122,704.74**	**102,733.05**
(b) Sale of services		
Technical consultancy	10.34	22.08
(c) Other operating revenues		
Export incentives	240.75	52.85
Government grant[(1)]	1,129.21	105.44
Job work income	15.33	16.21
Scrap Sales	72.46	18.27
Revenue from operations	**124,172.83**	**102,947.90**

Note:

i. The Group's manufacturing facility at Chittoor plant, is eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme, the plant has been granted "Small Industry" status and eligible for incentives like, power cost reimbursement, Interest reimbursement, refund of sales tax/State Goods and services tax paid in cash, etc. Based on such policy, the Group has continued to recognise the incentive computed based on SGST paid to Government of Andhra Pardesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above amounting to ₹929.28 lacs (Previous year: Nil) for year ended 31st March, 2019 is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Group is also entitiled for capital grant of ₹26.38 lacs out of ₹3.52 Lacs has been recognised as Amortisation of Government Grant under the head "Other income" and balance has amount of ₹22.86 lacs has been recognised as Deferred government grants under head "Other current Liabilities".

Further, one of the Group's partnership firm, (Gravita Metal Inc.) has also recognised ₹199.93 Lacs (Previous year: Nil) as government grant during the year.

ii. Consequent to introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers" and Schedule III of the Companies Act, 2013 and unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue. Accordingly the figures for the period upto June 30, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate to such understanding:

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Sale of products	122,704.74	102,733.05
B. Excise duty	-	1,207.64
C. Sale of products excluding excise duty (A-B)	122,704.74	101,525.41

Disaggregate revenue information:

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by Product type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(₹ in lacs)

Particulars	Amount
Revenue by Product type:	
Lead	105,697.05
Aluminium	11,269.40
Turnkey Projects	1,759.17
Others	5,447.21
Total	**124,172.83**

Trade receivables and Contract Balances:

The Group present the right to consideration in exchange for sale of promised products/service as Trade receivable in Financials. A receivable is aright to consideration that is unconditional upon passage of time. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet. Further, Provision for bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109.

Note 23 - Other income

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income		
Interest income earned on financial assets that are not designated as at fair value through profit and loss		
(a) On bank deposits (at amortised cost)	46.61	61.78
(b) On income tax refunds	2.99	10.48
(c) On others	17.11	31.26
(b) Other non-operating income		
Liabilities/provisions no longer required, written back	43.36	-
Miscellaneous income	7.23	28.76
(c) Other gains and losses		
Incentive Income	3.52	-
Derivatives at fair value through profit and loss		
- Gain on Foreign currency forward contracts	117.99	-
- Gain on commodity option contracts	306.18	26.51
Total	**544.99**	**158.79**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 24 - Cost of material consumed

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw materials and bought out components consumed	100,254.19	83,473.73
	100,254.19	**83,473.73**

Note 25 - Purchase of stock-in-trade

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Battery scrap and others	2,059.08	1,802.10
	2,059.08	**1,802.10**

Note 26 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock		
Finished goods	4,378.54	2,019.44
Work-in-progress	4,273.07	2,251.25
Stock-in-trade	149.18	107.99
Less: Closing stock		
Finished goods	4,604.98	4,378.54
Work-in-progress	2,870.86	4,273.07
Stock-in-trade	93.86	149.18
Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade	**1,231.09**	**(4,422.11)**

Note 27 - Employee benefits expense

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Salaries and wages	5,609.94	4,592.03
(ii) Contribution to provident and other funds	172.20	151.38
(iii) Share-based payments to employees	40.48	30.02
(iv) Staff welfare expenses	524.78	432.25
	6,347.40	**5,205.68**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 28 - Finance cost

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest costs on		
- Borrowings	1,973.51	1,274.18
- Others	0.32	88.82
(b) Exchange differences regarded as an adjustment to borrowing costs	220.56	253.67
(c) Other borrowing costs	105.60	123.69
	2,299.99	**1,740.36**

*The above finance cost is net of the amount included in the cost of qualifying assets for the year ended March 31, 2019: ₹ Nil (March 31, 2018: ₹73.36 lacs)

Note 29 - Depreciation and amortisation expense

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Depreciation of Property, Plant and Equipment	1,111.46	790.62
(b) Amortisation of intangible assets	45.03	78.39
	1,156.49	**869.01**

*Depreciation/amortisation expenses capitalised during the year ended March 31, 2019: ₹13.12 lacs (March 31, 2018: ₹3.37 lacs)

Note 30 - Other expenses

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	1,082.74	827.30
Rates and taxes	105.86	218.96
Legal and professional	332.98	264.39
Repairs and maintenance		
-Plant & machinery	1,088.92	790.30
-Buildings	111.39	106.47
-Others	212.57	136.15
Freight and forwarding	2,194.95	1,601.26
Travelling and conveyance	488.80	484.57
Insurance	26.13	55.87
Rent	588.42	492.53
Lease prepayment amortisation	11.99	12.10
Sales commission	150.16	73.27
Advertising and sales promotion	169.40	253.60
Communication	68.53	63.43
Training and recruitment	34.35	27.93
Printing and stationery	19.85	19.45
Donations and contributions	4.21	2.94
Payment to auditors	49.51	57.05
Written off/provision for doubtful trade receivables, loans and advances	65.95	207.02
Net loss on foreign currency transactions and translation	241.87	281.17
Loss on property plant and equipment discarded/scrap/written off	60.21	41.73

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Corporate guarantee expenses	4.32	-
Expenditure on Corporate Social Responsibility	18.82	28.72
Bank charges	315.94	291.30
Vehicle hire charges	41.25	89.45
Vehicle runnning expenses	137.44	64.33
Loss on impairment	474.54	-
Derivatives at fair value through profit or loss		
Loss on currency option contracts	-	81.34
Miscellaneous expenses	309.07	238.74
	8,410.17	**6,811.37**

*During the year, Group had entered into arrangement for sale of entire stack in one of its subsidiary (Met Mauritania Recycling- SARL) and consequent to such arrangement Group has recognised probable loss of ₹474.54 lacs.

Note 31 - Tax expense

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Current Tax		
Current tax expense	1,000.23	1,284.97
Short/(excess) provision for tax relating to prior years	(63.00)	20.89
	937.23	**1,305.86**
(b) Deferred tax charge / (credit)	-	
In respect of current year	104.61	206.15
Adjustments to deferred tax attributable to changes in income tax rate from 34.61% to 34.94% (effective April 01, 2018)	-	4.15
Minimum alternate tax credit utilised/(created) during the current year	(22.72)	138.88
	81.89	**349.18**
Income tax recognised in Profit and Loss	**1,019.12**	**1,655.04**
The Income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	2,958.06	6,419.01
Income tax expense calculated at 34.944% (Previous year 34.608%)	1,033.54	2,221.49
Effect of income that is exempt from taxation	(104.03)	(145.57)
Effect of expenses that are not deductible in determining taxable profit	9.14	38.85
Effect of different tax rates of subsidiaries operating in other jurisdictions	88.66	(516.93)
Effect on deferred tax balances due to the change in income tax rate from 34.61% to 34.94% (effective April 01, 2018)	-	(4.15)
Adjustments recognised in the current year in relation to the current tax of prior years	(56.29)	20.89
Others	(48.10)	40.46
Income tax expense recognised in statement of profit and loss	**1,019.12**	**1,655.04**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(c) Income tax recognised in other comprehensive income (OCI)		
Arising on income and expenses recognised in OCI		
(i) Items that will not be reclassified to profit or loss	1.11	11.03
(ii) Items that may be reclassified to profit or loss	(31.51)	(67.94)
	(30.40)	**(56.91)**

The tax rate used for reconciliation above is the corporate tax rate of 34.944% (previous year 34.608%) payble by corporate entities in india on taxable profits under indian tax law.

Note 32 - Contingent Liabilities and Commitments

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Contingent Liabilities		
-Claim against the company not acknowledged as debt*		
- Income Tax	-	22.50
- Excise Duty/Customs Duty/Service Tax	339.11	161.31
- Value Added Tax/ Central Sales Tax/Entry Tax	111.90	24.33
- Employees benefit - (refer Note 43)		-
	451.01	**208.14**
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	141.88	348.36
Total	**592.89**	**556.50**

*All the matters above are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, in the opinion of the management, will not have a material effect on the results of the operations or financial position of the Group.

Note 33 - Dues to micro and small enterprises

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	77.75	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	4.62	-
(iii) The amount of interest paid by the buyer along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 34 - Corporate Social Responsibility expenditure

The gross amount required to be spent by the Group for CSR expenditure during the year is ₹44.27 lacs (previous year ₹21.13 lacs); and the amount spent (already paid for purposes other than construction / acquisition of any asset) is ₹18.82 lacs (previous year ₹26.22 lacs). The amount spent for construction / acquisition of any capital asset is ₹ Nil (previous year ₹2.50 lacs)

Note 35 - Disclosure under Ind-AS 17 "Leases"

i) Operating leases :

General description of the Group's operating lease arrangements:
The Group has entered into operating lease arrangements for lease of certain facilities and office premises.
Some of the significant terms and conditions of the arrangements are:

- agreements are generally executed for the period of 11 months and may generally be terminated by either party by serving a notice period
- the lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement;
- the Group shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

Future minimum lease payments under non cancellable operating leases are :

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
- Not later than one year	170.14	274.81
- Later than one year but not more than 5 years	121.64	521.72
- Later than 5 years	-	107.30

(₹ in lacs)

Particulars	Current year	Previous year
Lease rent in respect of the above, charged to the statement of profit and loss for the year:	588.42	492.53

Note 36 - Earning per share

(₹ in lacs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
Profit for the year attributable to equity shares	(₹ in lacs)	1,549.23	4,408.70
Weighted average number of Basic equity shares outstanding	(Numbers)	68,624,225	68,628,149
Weighted average number of Diluted equity shares outstanding	(Numbers)	68,908,292	68,960,627
Basic earnings per share (face value - ₹ 2 per share)	(Rupees)	2.26	6.42
Diluted earnings per share (face value - ₹ 2 per share)	(Rupees)	2.25	6.39

Note 37 - Auditors' remuneration

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) For audit	29.07	23.32
(b) For limited reviews	15.19	13.50
(c) For taxation matters	-	3.50
(d) For certification	0.87	1.30
(e) For other services	0.43	12.00
(f) Reimbursement of expenses	3.95	3.43
	49.51	**57.05**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 38 - Proposed dividend

The Board of Directors, in its meeting held on May 28, 2019, have recommended a final dividend of ₹0.30 per equity share of ₹2/ each aggregating to ₹206.24 lacs (excluding corporate dividend tax of ₹42.40 lacs) for the financial year ended March 31, 2019. The recommendation is subject to the approval of shareholders in the ensuing Annual General Meeting. The Board of Directors, in its meeting held on May 28, 2018, recommended a final dividend of ₹0.70 per equity share of ₹2/- each for the financial year ended March 31, 2018 and the same was approved by the shareholders at the Annual General Meeting held on September 01, 2018 . This resulted in outflow of ₹580.18 lacs (including corporate dividend tax).

Note 39 Fair Value hierarchy

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period.

The following table presents fair vale hierachy of financial assets measured at fair value on a recurring basis:

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
As at Mar 31, 2019				
Financial Assets				
Unrealised gain on Future commodity contracts	-	442.66	-	442.66
Total Financial assets	-	**442.66**	**-**	**442.66**
As at Mar 31, 2018				
Financial Assets				
Unrealised gain on Future commodity contracts	-	244.82	-	-
Total Financial assets	-	**244.82**	**-**	**-**

During the year ended March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in to and out of Level 3 fair value measurements.

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 other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly.

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

(₹ in lacs)

Reconciliation of Level 3 fair value measurements	Financial guarantee contract
As at March 31, 2018	
Additional guarantee given	4.32
Income recognised in profit or loss	4.32
As at March 31, 2019	**-**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 40 - Financial Instruments by Categories

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

(₹ in lacs)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets						
Investments						
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	9,646.41	-	-	11,315.36	-	-
Loans	348.15	-	-	282.38	-	-
Cash and cash equivalents and bank balances	2,187.02	-	-	1,658.10	-	-
Other financial assets	1.26	442.66	-	1.26	244.82	-
Total financial assets	**12,182.90**	**442.66**	**-**	**13,257.16**	**244.82**	-
Financial liabilities						
Borrowings	24,015.76	-	-	22,556.73	-	-
Trade payables	9,822.41	-	-	4,748.59	-	-
Other financial liabilities	1,072.12	-	-	831.71	-	-
Total financial liabilities	**34,910.29**	**-**	**-**	**28,137.03**	-	-

Note: (i) Carrying value of the financial assets and liabilities designated at amortised cost approximates its fair value.
(ii) This does not include investment in subsidiaries which have been carried at cost

Note 41 - Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders through maintaining reasonable balance between Debt and equity. The capital structure of the Group consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Group. The Group is not subject to any externally imposed capital requirements.

The Group's management reviews the capital structure of the Group on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Group also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

Note 42 - Financial Risk Management

The Group is exposed to various financial risks arising from its underlying operations and finance activities. The Group is primarily exposed to market risk (i.e. interest rate and foreign currency risk), to credit risk and liquidity risk. The Group Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management within the group is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, foreign currency risk, credit risk and liquidity risk. Group policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function within the Group. Review of the financial risk is done on a periodical basis by the Managing Director and the Board of Directors. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the Group results and financial position.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

In accordance with its financial risk policies, the Group manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. It is the Group policy and practice neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. The Board of Directors / Managing Director reviews and approves policies for managing each of the above risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Group enters into the derivative contracts as approved by the Board to manage its exposure to foreign currency risk.

(i) Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Group is attributable to Group's operating activities and financing activities. In the operating activities, the Group's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The Group hedges the exposures based on a duly approved policy by the Board. The information is monitored by the Audit committee and the Board of Directors on a periodical basis. This foreign currency risk exposure of the Group are mainly in U.S. Dollar (USD) and Euro (EUR). The Group's exposure to foreign currency changes for all other currencies is not material. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in ₹ are as follows:

(₹ in lacs)

Particulars	Assets		Liabilities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	6665.07	8,163.40	2,509.56	2,087.22
Euro	13.88	105.16	-	-

Foreign currency sensitivity analysis

The Group is mainly exposed to USD and EUR.

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

(₹ in lacs)

	Year ended March 31,2019		Year ended March 31,2018	
	₹ Strengthens by 1%	₹ weakens by 1%	₹ Strengthens by 1%	₹ weakens by 1%
Impact on profit/(loss) for the year	(41.69)	41.69	(61.81)	61.81
USD	(41.55)	41.55	(60.76)	60.76
EUR	(0.14)	0.14	(1.05)	1.05

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

(₹ in lacs)

Outstanding contracts	No. of deals		Foreign currency (FCY)		Nominal amount	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD / INR Buy forward	550	3,600	550,000	3,600,000	39,351,125	235,296,000

(ii) Interest Rate Risk Management

Interest rate risk arises from movements in interest rates which could have effects on the Group's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lacs)

Particulars	Impact on profit before tax	
	Current year	Previous year
Interest rate - increase by 100 basis points (100 bps)*	212.13	207.07
Interest rate - decrease by 100 basis points (100 bps)*	(212.13)	(207.07)

* Holding all other variable constant

(b) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage trade receivables, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed in the note no. 6 above.

The Group has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking informations.

Movement in the expected credit loss allowance of financial assets (₹ in lacs)

Particulars	Financial assets
Provision as at April 1, 2017	**14.04**
Provision made during the year 2017-18	64.97
Written off during the year 2017-18	-
Provision as at March 31, 2018	**79.01**
Provision created during the year 2018-19	59.14
Written off during the year 2018-19	-
Provision as at March 31, 2019	**138.15**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(c) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Total committed working capital limits from Banks	23,738.09	23,223.05
Utilized working capital limit	21,170.01	20,019.60
Unutilized working capital limit	2,568.08	3,203.45

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities (₹ in lacs)

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
As at March 31, 2019				
Non-derivatives				
Borrowing *	1,246.71	3,342.37	-	4,589.08
Trade payable	9,822.41	-	-	9,822.41
Other financial liabilities	60.33	-	-	60.33
Total non-derivatives liabilities	11,129.45	3,342.37	-	14,471.82
As at March 31, 2018				
Non-derivatives				
Borrowing *	867.74	1,841.99	-	2,709.73
Trade payable	4,748.59	-	-	4,748.59
Other financial liabilities	136.63	-	-	136.63
Total non-derivatives liabilities	5,752.97	1,841.99	-	7,594.95

* Excludes utilized working capital limited disclosed above in Liquidity risk management.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 43 - Employee benefits plans

(i) Defined Contribution Plans

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to provident and other fund	172.20	151.38

*Based upon the legal opinion obtained by the management, there are various interpretation issues and thus is in the process of evaluating the impact of the recent Supereme Court judgement in the case of "Vivekananda Vidhyamandir vs Regional Provident Fund Commissioner" (II), West Bengal in relation to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purpose of dertermining contribution to provident fund under the Employees Provident Fund and Miscellaneous provisions Act, 1952.

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely Gravita Employees Gratuity Trust is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

Earned leaves – Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

These plans typically expose the company to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

Investment Risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk -The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Reconciliation of opening and closing balances Defined Benefit Obligation

(₹ in lacs)

Particulars	Gratuity (Funded)		Compensated absences (Unfunded)	
	For the year ended March 31,2019	For the year ended March 31,2018	For the year ended March 31,2019	For the year ended March 31,2018
Change in benefit obligation (A)				
1. Present value of obligation as at the beginning of the year	195.57	135.52	53.44	39.93
2. Current service cost	29.82	21.30	14.49	13.48
3. Interest cost	15.07	10.22	4.40	3.01
4. Actuarial (gain) / loss	2.80	31.66	12.21	4.34
5. Benefits paid	(6.77)	(3.13)	(19.71)	(7.32)

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Particulars	Gratuity (Funded)		Compensated absences (Unfunded)	
	For the year ended March 31,2019	For the year ended March 31,2018	For the year ended March 31,2019	For the year ended March 31,2018
Present value of obligation as at the end of the year	236.49	195.57	64.83	53.44
Change in plan assets (B)				
1. Fair value of plan assets at the beginning of the year	5.16	7.39	-	-
2. Actual return on plan assets	0.04	0.35	-	-
3. Fund Management Charges	(0.73)	-	-	-
4. Benefits paid	(3.48)	(2.58)	-	-
Fair value of plan assets at the end of the year	0.99	5.16	-	-
Liability recognized in the financial statement (A-B)	235.50	190.41	64.83	53.44
Composition of plan assets				
Other than equity, debt, property and bank account *	100%	100%	-	-
Main actuarial assumption				
Discount rate	7.65%	7.71%	7.65%	7.71%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected rate of return on plan assets	7.65%	7.71%	-	-
Expected average remaining working lives of employees (years)	23.79	23.78	23.97	23.97
Average remaining working lives of employees with Mortality and Withdrawal (years)	18.23	18.28	18.10	18.17
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

Maturity profile of defined benefit obligation (₹ in lacs)

Year	Gratuity	Earned leaves
0 to 1 year	32.04	3.32
1 to 2 year	3.03	1.00
2 to 3 year	3.36	0.90
3 to 4 year	3.27	1.26
4 to 5 year	3.44	2.24
5 to 6 year	3.53	0.93
6 year onwards	187.77	43.72

* The plan assets are maintained with Bajaj Allianz under Group Gratuity Care Scheme. The details of investments maintained by Bajaj Allianz are not available with the Company and have not been disclosed.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(₹ in lacs)

Particulars	Gratuity		Earned leaves	
	Current year	Previous year	Current year	Previous year
Cost for the period				
1. Current service cost	29.82	21.30	14.49	13.48
2. Net interest cost	15.04	9.87	4.40	3.01
3. Actuarial (gain) / loss	-	-	12.21	4.95
Total amount recognised in profit or loss	**44.85**	**31.16**	**31.10**	**21.43**
Re-measurements recognised in Other comprehensive income				
1. Actuarial gain / (loss) on plan assets	0.39	(0.21)	-	-
2. Effect of changes in financial assumptions	1.15	(2.86)	-	-
3. Effect of experience adjustments	1.63	34.52	-	-
Total re-measurements included in Other Comprehensive Income	3.17	31.87	-	-
Total amount recognised in statement of profit and loss	**48.02**	**63.03**	**31.10**	**21.43**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

(₹ in lacs)

Particulars	Gratuity	Earned leaves
Present value of Obligation at the end of the year	236.49	64.83
a) Impact of the change in discount rate		
i). Impact due to increase of 0.50%	(9.65)	(3.53)
ii). Impact due to decrease of 0.50%	10.39	3.83
b) Impact of the change in salary increase		
i). Impact due to increase of 0.50%	10.50	3.88
ii). Impact due to decrease of 0.50%	(9.85)	(3.59)

Note 44 - Employee share based payments

The members of the Company at its Annual General Meeting held on July 27, 2011 had approved the issue of Stock Options to eligible employees/directors of the Company and its subsidiaries. Accordingly, the Board at their meeting held on August 10, 2011 approved the "Gravita ESOP 2011" Scheme. A Compensation Committee was formed to govern the Gravita ESOP 2011 Scheme which has approved first, second, third and fourth grant of options on September 23, 2011, July 5, 2012, July 1, 2013 and April 1, 2015 respectively.

Details are as follows:

Particulars	First grant	Second grant	Third grant	Fourth grant
Grant Date	September 23, 2011	July 5, 2012	July 1, 2013	April 1, 2015
Grant effective from	October 1, 2011	July 5, 2012	July 1, 2013	April 1, 2015
Exercisable period	5 years	5 years	5 years	5 years
Option Granted	400,380	31,000	368,500	500,000
Exercise price	₹2 per share	₹2 per share	₹2 per share	₹2 per share

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Fair value of share options granted during the year

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below.The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest.The expected life of share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.

Inputs in the pricing model

Particulars	First grant	Second grant	Third grant	Fourth grant
Weighted average fair Value of options	75.01	174.2	19.45	34.93
Weighted average share price	76.95	176.2	21.45	36.3
Exercise Price	2	2	2	2
Expected Volatility	62.02%	62.34%	54.84%	66.19%
Options Life	5 Yrs	5 Yrs	5 Yrs	5 Yrs
Dividend Yield	0.65%	0.27%	1.38%	0.00%
Risk Free Rate	7.16%	7.20%	7.40%	7.05%

Movement in stock options:

	First grant	Second grant	Third grant	Fourth grant
Options outstanding at the beginning of the year			-	336,800
			-	(385,650)
New options issued during the year			-	-
			-	-
Options exercised during the year			-	42,100
				(42,850)
Lapsed/ forfeited during the year			-	3,500
			-	(6,000)
Options outstanding at the end of the year			-	291,200
			-	(336,800)

Note:- Figures in bracket are related to financial year 2017-18

Share options exercised during the year

Option plan	No. of options exercised	Weighted share price at exercise date
Fourth grant	42,100	188.60

Share options outstanding at end of the year	Options Outstanding		Remaining contractual life (In months)		Exercise price
	As on March 31, 2019	As on March 31, 2018	As on March 31, 2019	As on March 31, 2018	
Fourth grant	291,200	336,800		-	2

During the year ended March 31, 2019, the Company recorded an employee share based payment expense of ₹40.48 (previous year ₹30.02 lacs) in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

Note 45 - Segment information

A. Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Board of Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated in the segments below:

i). Lead processing
ii). Aluminium processing
iii). Turn-key solutions
iv). Plastic manufacturing
v). Cartons trading

Lead processing includes smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc.

Aluminium processing includes trading of Taint Tabor and Tense aluminium scraps manufacturing of alloy from melting of aluminium scrap.

Turn key solution includes, complete supply of plant and machinery related to lead manufacturing plant.

Further, since plastic manufacturing and carton trading does not amounts to primary business activities, hence the same has been clubbed in others in segment reporting.

Segment revenue and results include the respective amounts identifiable to each of the segments. Other unallowable expenditure includes expenses incurred on finance cost, which are not directly identifiable to segments.

In addition to the significant accounting policies applicable to the business segments as set out in note 1, the accounting policies in relation to segment accounting are as under:

i). Segment revenue and expenses:
Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii). Segment assets and liabilities:
Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipment, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes.

B. Geographical segments:

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation is mainly for two locations; (A) India (country of domicile) and (B) other than India (all countries other than India is considered by CODM as one geographical area). The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets has been given below:
*Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts (i) located in the entity's country of domicile and (ii) located in all foreign countries in total in which the entity holds assets.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(I) Information about business segments

(₹ in lacs)

S.No	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
1	**REVENUE**		
	Segment Revenue (Net sale/ income from each segment)		
	Lead	105,697.05	89,354.04
	Aluminium	11,269.40	9,193.35
	Turn Key solution	1,759.17	1,986.45
	Others	5,447.21	2,414.06
	Total	**124,172.83**	**102,947.90**

2 RESULTS

(₹ in lacs)

S.No	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
	Segment Profit before tax and interest from each segment		
	Lead	5,899.99	6,988.50
	Aluminium	598.60	626.62
	Turn Key solution	658.69	620.48
	Others	(195.90)	(235.12)
	Total Operating Profit	**6,961.38**	**8,000.49**
	Less: Unallocated Revenue/ Expenses		
	(i) Finance costs	2,299.99	1,740.36
	(ii) Other Income	(238.81)	(158.79)
	(iv) Other Expenses	1,940.79	-
	(iv) Share of (profit)/loss of an associate	1.36	(0.10)
	Profit before tax	**2,958.05**	**6,419.02**
	Less: Tax expenses	1,019.12	1,655.04
	Profit after tax	**1,938.93**	**4,763.97**

3 OTHER INFORMATION

(₹ in lacs)

S.No	Particulars	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**		
	Segment assets		
	Lead	33,583.26	33,348.38
	Aluminium	7,109.42	6,926.20
	Turn Key solution	2,672.19	2,616.50
	Others	4,591.01	1,516.50
	Total	**47,955.88**	**44,407.58**
	Unallocated assets	9,297.49	4,772.05
	Total Assets	**57,253.37**	**49,179.63**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

S.No	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
B	**LIABILITIES**		
	Segment Liabilities		
	Lead	10,886.78	8,408.86
	Aluminium	707.08	1,158.31
	Turn Key solution	264.59	611.98
	Others	379.66	821.96
	Total	**12,238.11**	**11,001.10**
	Unallocated liabilities	24,616.44	18,720.11
	Total Liabilities	**36,854.55**	**29,721.21**

* Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year or in previous year.

4 ADDITIONAL INFORMATION (₹ in lacs)

S.No	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
1	**Segment Depreciation**		
	Lead	439.96	505.72
	Aluminium	79.33	87.24
	Turn Key solution	48.95	40.00
	Others	361.68	236.05
	Unallocated	226.57	-
	Total Depreciation	**1,156.49**	**869.01**
2	**Capital expenditure**		
	Lead	3,252.89	1,535.13
	Aluminium	126.56	359.74
	Turn Key solution	81.25	126.74
	Others	1,557.33	651.08
	Unallocated	1,305.09	1,551.90
	Total	**6,323.12**	**4,224.59**

(II) Information about Geographical segment

(₹ in lacs)

S. No	Particulars	Revenue from external customers		Non-current assets	
		For the year ended March 31, 2019	For the year ended March 31, 2018	As at March 31, 2019	As at March 31, 2018
A	Within India	110,749.44	86,808.35	13,685.64	11,087.70
B	Outside India	13,423.39	16,139.55	6,610.75	3,429.90
	Total	**124,172.83**	**102,947.90**	**20,296.39**	**14,517.60**

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(III) Revenue from major products

(₹ in lacs)

S.No	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A	Lead (Pure Lead, Specific Lead Alloy & other Lead products)	104,341.82	89,248.60
B	Aluminium products	11,269.41	9,193.35
C	Turn Key solution	1,691.12	1,986.45
D	Others	5,402.39	2,304.65
	Total	**122,704.74**	**102,733.05**

(IV) Information about major customers

Direct sales of Lead product of ₹18,005.38 lacs (for year ended March 31, 2019: ₹18,436.79 lacs), included in total Revenue of ₹1,24,172.83 lacs (for year ended March 31, 2019: ₹1,02,947.90 lacs), which arose from sales to the Group's largest customers. No other single customers contributed 10% or more to the Group's revenue in current year 2018-19 and previous year 2017-18.

Note 46 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

(i) Key Managerial Personnel and their relatives :

(a) Key Management Personnel

Name of the director	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-Time Director
Mr. Rajat Agrawal	Managing Director
Mr. Yogesh Malhotra*	Whole Time Director

*Appointed as Whole Time Director with effect from March 31, 2019.

(b) Relatives of Key Management Personnel

Name of the director	Designation
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

(c) Enterprises over which Key Managerial Personnel and / or their relatives exercise significant influence :

Saurabh Farms Limited

Shah Buildcon Private Limited

Jalousies India Private Limited

Devonic Ventures Private Limited

Karvrish Assets Private Limited

Karvrish Resources Private Limited

Gravita Impex Pvt Ltd.

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31, 2019

(ii) Detail of transaction and balance outstanding with Key Managerial Personnel and their relatives:

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Managerial Remuneration *		
Key management personnel		
Mr. Rajat Agrawal	203.00	203.25
Dr. Mahavir Prasad Agarwal	120.00	120.00
Mr. Yogesh Malhotra*	0.11	-

*Appointed as Whole Time Director on dated March 31, 2019.

(iii) Other Transactions

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent paid		
Key management personnel		
Mr Rajat Agrawal	37.86	36.02
Relatives of key management personnel		
Mrs. Anchal Agrawal	5.74	5.45
Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	14.29	14.29
Shah Buildcon Private Limited	2.65	2.60
Jalousies India Private Limited	30.02	28.47

Category-wise break up of compensation to key management personal

(₹ in lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Managerial Remuneration *		
Short-term benefits	334.21	339.30
Post-employment benefits		

* Does not include provisions for increamental gratuity and leave encashment liabilities, since the provisions are based in actuarial valuations for the Company as a whole.

Closing balances with Key Managerial Personnel and their relatives :

(₹ in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Payables - Others		
Mr Rajat Agrawal	7.03	3.97
Dr. Mahavir Prasad Agarwal	6.15	5.35

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31,2019

Note 47 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in lacs)

Name of the entity	Net assets, i.e., total assets less total liabilities		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of total comprehensive income	Amount
Parent								
Gravita India limited	74.96%	4,940.80	122.23%	1,895.29	-2.89%	(2.05)	116.75%	1,893.24
Subsidiaries								
- Indian (including Partnership and Trust)								
Gravita Infotech Limited (Formerly known as Gravita Exim Limited)	1.39%	276.40	(1.02%)	(15.74)	0.00%	-	(0.97%)	(15.74)
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)	0.05%	9.40	(0.06%)	(0.91)	0.00%	-	(0.06%)	(0.91)
Noble Buildestate Private Limited	(0.58%)	(116.05)	(0.93%)	(14.40)	0.00%	-	(0.89%)	(14.40)
M/s Gravita Metals	3.31%	660.17	(3.82%)	(59.24)	0.00%	-	(3.65%)	(59.24)
M/s Gravita Metal Inc.	3.81%	759.04	13.77%	213.59	0.42%	0.30	13.19%	213.89
M/s Recycling Infotech LLP	0.00%	0.18	0.01%	0.21	0.00%	-	0.01%	0.21
Gravita Employee Welfare Trust	(0.10%)	(19.73)	(1.04%)	(16.20)	0.00%	-	(1.00%)	(16.20)
-Foreign								
Gravita Ghana Limited	0.91%	181.07	(17.74%)	(275.12)	107.30%	76.17	(12.27%)	(198.95)
Gravita Netherlands BV	19.00%	3,786.73	42.52%	659.24	86.52%	61.42	44.44%	720.66
Gravita Global Pte Limited	4.88%	972.79	(0.45%)	(6.96)	16.34%	11.60	0.29%	4.64
Gravita Senegal SAU	6.83%	1,360.67	47.59%	737.85	(72.46%)	(51.44)	42.33%	686.41
Gravita Mali SA	0.06%	12.00	0.00%	-	(2.54%)	(1.80)	(0.11%)	(1.80)
Gravita Nicaragua SA	1.04%	207.25	(4.79%)	(74.25)	(18.34%)	(13.02)	(5.38%)	(87.27)
MET Mauritania SARL	(0.29%)	(58.66)	(4.09%)	(63.43)	4.13%	2.93	(3.73%)	(60.50)
Navam Lanka Limited	4.97%	989.78	52.36%	811.88	(42.20%)	(29.96)	48.22%	781.92
Gravita Mozambique LDA	14.08%	2,807.20	40.40%	626.42	13.96%	9.91	39.24%	636.33
Gravita USA Inc	1.10%	219.42	2.24%	34.75	15.07%	10.70	2.80%	45.45
Gravita Jamaica Limited	(0.55%)	(109.19)	(12.37%)	(191.85)	(14.51%)	(10.30)	(12.47%)	(202.15)
Gravita Ventures Limited	(0.28%)	(55.09)	0.42%	6.48	(3.11%)	(2.21)	0.26%	4.27
Gravita Cameroon Limited	0.35%	69.48	0.00%	-	(4.00%)	(2.84)	(0.18%)	(2.84)
Recyclers Gravita Costa Rica SA	(0.49%)	(96.90)	(11.30%)	(175.22)	6.35%	4.51	(10.53%)	(170.71)
Gravita Tanzania Limited	0.89%	176.97	0.00%	-	(8.73%)	(6.20)	(0.38%)	(6.20)
Recyclers Ghana Limited	2.26%	449.73	0.00%	-	(55.60%)	(39.47)	(2.43%)	(39.47)

Notes forming part of the Consolidated Financial Statements [contd.]

for the year ended March 31,2019

Mozambique Recyclers LDA	(0.06%)	(12.77)	(1.58%)	(24.57)	7.58%	5.38	(1.18%)	(19.19)
Gravita Dominician	0.06%	12.41	0.00%	-	(0.39%)	(0.28)	(0.02%)	(0.28)
Gravita Peru SAC	0.03%	6.78	0.00%	-	(0.79%)	(0.56)	(0.03%)	(0.56)
Total		27,429.88		4,067.82		22.79		4,090.61
Adjustments arising out of consolidation	(37.63%)	(7,497.80)	(162.34%)	(2,517.23)	67.89%	48.20	(152.26%)	(2,469.03)
Sub-total (a)	100.00%	19,932.08	100.00%	1,550.59	100.00%	70.99	100.00%	1,621.59
Minority interests in all subsidiaries								
Navam Lanka Limited		466.74		389.70		(14.38)		375.32
Sub-total (b)		466.74		389.70		(14.38)		375.32
Associates (Investment as per the equity method)								
Indian								
Pearl Landcon Private Limited				(1.36)		-		(1.36)
Sub-total (c)				(1.36)		-		(1.36)
Total (a + b + c)		20,398.82		1,938.93		56.61		1,995.54

For and on behalf of the Board of Directors

Rajat Agrawal
(Managing Director)
DIN: 00855284

Dr. M. P. Agarwal
(Chairman)
DIN: 00188179

Naveen Prakash Sharma
(President & CEO)

Sunil Kansal
(CFO)

Nitin Gupta
(Company Secretary)
Membership No: FCS 9984

Place : Jaipur
Date : May 28, 2019

Notes

Corporate Information

Corporate Indetity Number

(CIN) : L29308RJ1992PLC006870

Board of Directors & KMP

Dr. Mahavir Prasad Agarwal
Chairman
DIN: 00188179

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director
DIN: 05332393

Dinesh Kumar Govil
Independent Director
DIN: 02402409

Arun Kumar Gupta
Independent Director
DIN: 02749451

Chanchal Chadha Phadnis
Independent Director
DIN: 07133840

Naveen Prakash Sharma
President & CEO

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No. : FCS-9984

Senior Management Personnel

Vijendra Singh Tanwar
Director - New Business Development,
(Non Board Member)

Vijay Kumar Pareek
Executive Director, SBU Head- Lead
(Non Board Member)

Rajeev Surana
Executive Director, Operations
(Non Board Member)

Sandeep Choudhary
Vice President, Imports

Sanjay Singh Baid
Vice President, Domestic Procurement

Ajay Thapliyal
Vice President (Projects & HR)

Statutory Auditors

M/s Deloitte Haskins & Sels
7th Floor, Buidling No. 10, Tower B,
DLF Cyber City Complex,
DLF Phase-II, Gurugram- 122022,
Haryana, India
Website: www.deloitte.com

Internal Auditors

KPMG
Building No.10, 8th Floor, Tower-C,
DLF Cyber City, Phase II
Gurugram - 122002, Haryana, India
Website: https://www.kpmg.com/in

Cost Auditors

M/s K.G. Goyal & Associates
289, Mahveer Nagar-II,
Maharani Farms, Durgapura
Jaipur-302018

Registrar & Share Transfer Agent

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad- 500 032
Phone No. 040-67162222
Website: www.karvy.com

Bankers / Lenders

State Bank of India
Punjab Natioal Bank
Corporation Bank
Canara Bank
ICICI Bank Ltd.
Jammu & Kashmir Bank Ltd.
Tata Capital Finance Ltd.

Corporate Office

402, Gravita Tower, A-27-B, Shanti Path,
Tilak Nagar, jaipur- 302 004, India
Ph.No.:+91-141-262366
Fax:+91-141-2621491

Registered Office and Works

"Saurabh" , Chittora Road, Harsulia Mod,
Diggi- Malpura Road, Tehsil Phagi,
Jaipur- 303 904
Email: works@gravitaindia.com
info@gravitaindia.com

Other Plant Locations

a) Plot No. 322, Mithirohar Industrial Estate, Mithirohar, Taluka Gandhidham - 370205, Gujarat

b) Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil Sanganer, Distt. Jaipur - 302029, Rajasthan, India

c) Survey No. 233/15 to 233/30, Tiruthani Road, Village-Ananthapuram, PO-Narasingarayanipettah, District-Chittoor - 517419, Andhra Pradesh, India

d) Survey No.43, Near National Highway No.8a, Patri Gundala Road Village Moje Gundala Taluka Mundra Kutch, Kachchh, Gujarat, 370410

e) 25-26, SICOP Industrial Area, Kathua-184102, Jammu & Kashmir, India

Gravita India Limited
'Saurabh', Chittora Road, Harsulia Mod, Diggi- Malpura Road,
Tehsil- Phagi, Jaipur - 303904, Rajasthan, India
Tel: 09928070682

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