GRAVITA
INDIAN MULTINATIONAL COMPANY

WE RECYCLE TO SAVE ENVIRONMENT

Gravita India Ltd.
Annual Report 2021-22

Rising Higher for Sustainable Future

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Welcome!

At Gravita India Limited, we had a record year in 2021-22, which demonstrates both the value our strategic investments are creating and the power that can be harnessed from our differentiated capabilities. We continued to make substantial progress towards our environmental, social, governance, operational and sustainability goals, the elements of which are mentioned throughout this report.

www.gravitaindia.com

Forward-looking statement

This document contains statements about expected future events and financials of Gravita India Limited, which are forward-looking. By their very nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion & Analysis of this Annual Report.

Rising **Higher** for **Sustainable Future**

At Gravita India Limited, we believe that climate change, resource scarcity, waste disposal, pollution and threats to diversity has enforced the need for the human race to completely rethink our relationship with resources and come up with models of economic and social development that are more efficient, balanced and sustainable. It calls for rising higher for a sustainable future.

Though general awareness of these challenges has mobilized stakeholders and provoked growing pressure from civil society, a lot more needs to be done. In meeting this pressing need, at Gravita, we are taking action by offering expert, innovative and time-tested solutions, enabling our customers to meet various challenges, including recycling and recovery of waste, reducing waste to landfill and supporting ecological transformation, while facilitating them to strengthen their commercial competitiveness and expand their right to operate. At our Company, with a vastly expanded network, the latest technology and skilled employees, we are taking important strides towards achieving our environmental and customer service goals.

As we look to the future, we know we can depend on the culture of sustainability that we have fostered for more than 30 years. Going forward, we will continue to provide safe and eco-friendly solutions to our customers who have relied on us. We value our responsibility to protect future generations through our environmental, social and governance (ESG) considerations and are committed to preserving the natural environment while also participating positively in the circular economy.

We believe we have only just started our journey for sustainable value creation for all.

Our business: Sustainability in action

VISION 2026

We have prioritised 6 initiatives in our Vision 2026 framework. These comprise:

1. Establishment of new recycling verticals: rubber, copper, paper, e-waste and lithium
2. Achieve 25%+ revenue CAGR
3. Achieve 35%+ profitability growth
4. Achieve 25%+ ROCE
5. Attain portfolio mix of 50%+ value added products
6. Transform portfolio to achieve 25%+ non-lead business

OUR OPERATIONS

- **5** Business verticals (Lead, Aluminium, Plastic, Rubber, Turnkey Solutions)
- **12** Recycling plants
- **1,400+** Global touchpoints
- **2.05 lac+** Production capacity (MT)
- **30%** Overseas (non-India) capacity
- **1.80 lac+** Scrap collection (MT)
- **1.30 lac+** Recycled resources supplied (MT)
- **67%** Capacity utilisation
- **42%** Value-added products
- **60,000 MT+** Order book

OUR 2021-22 RESULTS

- **₹2,216 cr** Revenue
- **₹215 cr** Adj. EBIDTA
- **₹139 cr** Net profit
- **₹20.60** Earnings per share
- **29%** ROCE (avg)

OUR BUSINESS PROFILE

Headquartered in Jaipur, India, Gravita is amongst Asia's leading recycling Company. With our dedicated team, global touchpoints of specialised infrastructure assets, and one of the largest networks of waste collection, we're working towards our mission of making a sustainable future possible for all by conserving Mother Earth's natural resources.

What we recovered in 2021-22

We focus on recovering more resources from waste and returning commodities back to the value chain.

- **1,13,156** MT Lead
- **9,419** MT Aluminium
- **13,043** MT Plastic

Our strong legacy…

Gravita was established in 1992 by Rajat Agrawal, a first-generation entrepreneur who identified immense global opportunity in recovering lead for reuse. Over the time, the business has expanded and is now structured around five key verticals:

- Lead recycling (flagship)
- Aluminium recycling
- Plastic recycling
- Rubber recycling
- Turnkey Solutions

…While enabling strategic diversification

Amassing specialist business experience, we have developed a position to offer recycling solutions. We hold the distinction of indigenously creating our recycling technology which has proven to be effective and cost efficient. We also offer technical consultancy to recycling and smelting, PLC-based control & monitoring system for advanced set-ups, and even annual maintenance contracts (AMCs). We have executed 50+ recycling projects globally, including in Qatar, the UAE, Saudi Arabia, Poland and Chile.

…Helps build our manufacturing process…

We have strong knowledge in the safe and responsible manufacture of value-added products that are used for diverse applications in numerous industries. We have a global clientele of 300+ customers in Asia, the Middle East, Europe and the Americas, spanning 35+ countries. Our India operations cater to 200+ domestic customers in 22 states, and 75+ customers in 31 countries around the world. We have a successful track record, evident in sales of 90,000+ MT in Asia, 19,000+ MT in the Middle East, 11,000+ MT in the Americas and 10,000+ MT in Europe.

Our major customers/partners

Schneider Electric, Tata Batteries, Luminous, Clarious, Exide, Octal, Samvardhana Motherson, Ashley Alteams, Panasonic, Trafigura, Indorama, Korea Zinc, Sebang, Sandhar Technologies, Polycab, Asian Paints, Hitachi, Thyssenkrupp, Glencore, TVS, Honda Trading, Amara Raja Batteries, TATA, KEC, KEI, Toyota Tsusho, Philips Lighting

Our value-added products

Lead:
Customised lead alloys, lead sheets, lead bricks, red lead, lead oxide
Aluminium:
Customised aluminium alloys
Plastic:
Granules, pet flakes (food grade)

… And adds strength to our procurement network…

By virtue of our longstanding presence and experience in the business, we have built specialized capabilities in the recycling of used lead-acid batteries, cable scrap/other lead scrap, aluminium scrap, plastic scrap, etc. For this, reliable and cost-competitive procurement of raw material is an imperative and so we have taken the business global with operations spread in the Americas (Nicaragua), Africa (Ghana, Senegal, Mozambique and Tanzania) and Asia (India: Kathua, Jaipur, Jaipur SEZ, Gandhidham, Chittoor and in Sri Lanka) and procurement network in strategic markets of Asia, Africa, the Middle East, Europe and the Americas, totalling 29 own yards, 1,400+ international touchpoints and 180,000 MT+ scrap collection capacity. Our network enables scrap collection of 110,000+ MT from Asia, 50,000+ MT from Africa and 13,000+ and 7,000+ MT from the Americas and Europe, respectively.

Important landmarks in our journey:

Enriching past, exciting future

At Gravita, we have remained with the times, focusing on innovation and capacity development for building scale that has enabled us to take our business from India to the world. Today, with sound investment aligned to our strategic robust business plans we have evolved as one of the world's largest specialist recycling companies with pioneering status in lead recycling. We are extending our successful model into recycling of other resources, including aluminium, plastic and rubber and have drafted our vision 2026 that envisages new recycling verticals, which includes rubber, copper, paper, e-waste and lithium.

Some of the key highlights in our journey so far are mentioned below:

1994
Commenced operations through commercializing lead recycling plant in Jaipur

2001
Established first overseas recycling unit in Sri Lanka

2007
Set up first recycling unit in Ghana

2010
Successful listing on the BSE and NSE

2013
Extended manufacturing of value-added products at Jaipur plant

2015
Diversified into plastic recycling

2016
Achieved further diversification through starting aluminium recycling

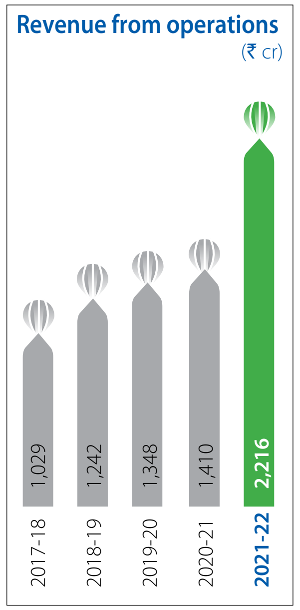
2019
Started aluminium and plastic recycling facilities in Africa

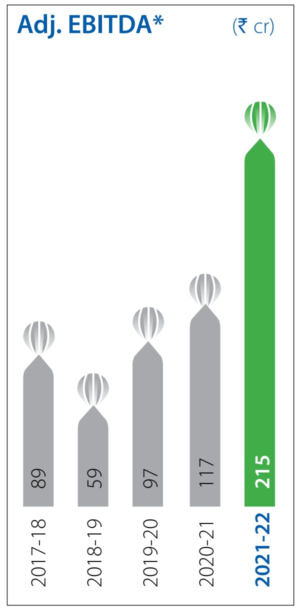
2021
Established new recycling facility at Mundra port

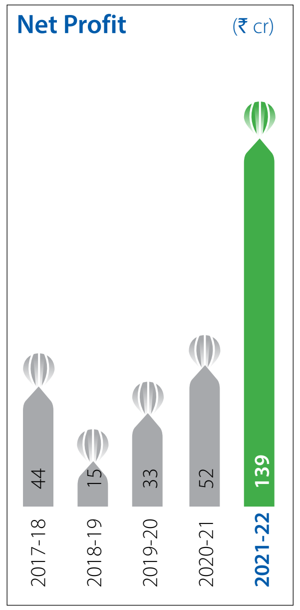
2022
Expanded portfolio through venturing into rubber recycling

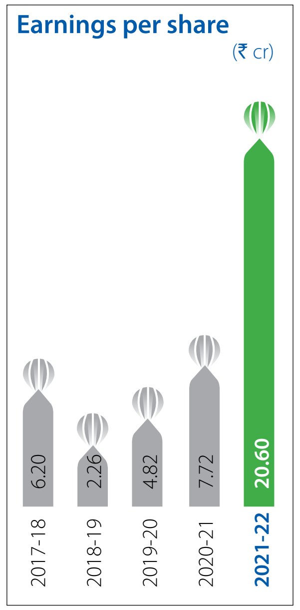
Key financial metrics

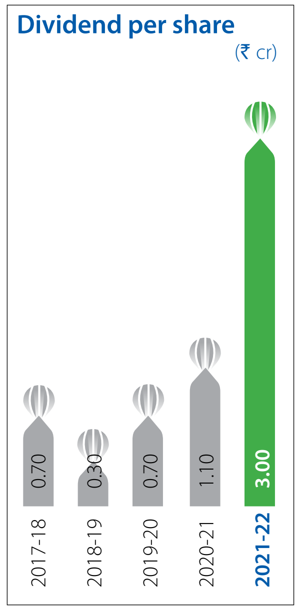
The year under review (2021-22) was marked by continued challenges of the second and more drastic COVID-19 wave during the start of the financial year and just as economic recovery was taking hold after this wave subsided, two other events started to have a negative impact, including the third Omicron wave of the virus that was relatively mild, and the start to Russia's invasion into Ukraine that erupted a completely new set of challenges. Despite this macroeconomic environment, Gravita performed credibly, as highlighted in the key financial metrics below.

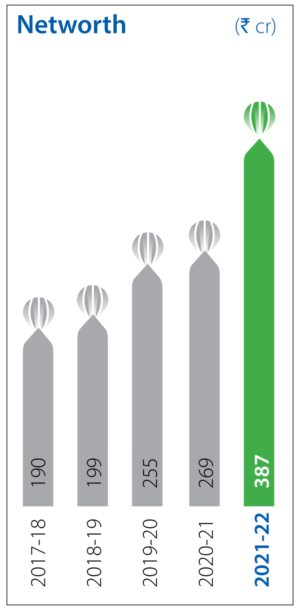


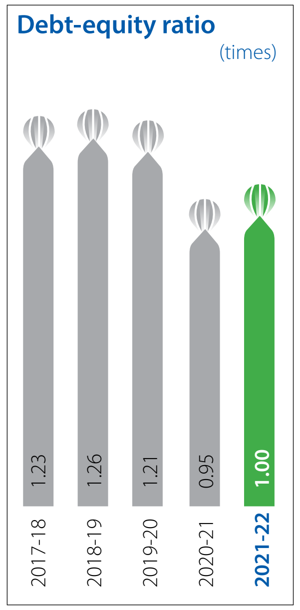


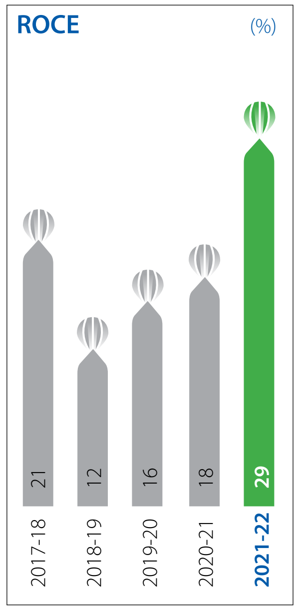












(All figures are on consolidated basis)
*After adjustment of Income/Loss from currency & metal Hedging

Analysing our performance

26% Revenue CAGR 5-years

34% PAT CAGR 5-years

"A" External credit rating

11 years Sustainable dividend payouts

Key facets of our overseas business, 2021-22:
1. 36% revenue share
2. 75% profit achieved with only 31% of capital employed

Key facets of our portfolio mix, 2021-22:
1. 42 % revenue achieved from value-added products
2. Lead remained mainstay, with volumes of 103,612 MT
3. Consistent volume growth achieved in aluminium and plastic recycling, with 71% and 7%, respectively

Key facets of our profitability, 2021-22:
1. Achieved 8-9% EBIDTA margins consistently despite inflation and price volatility.
2. 42% revenue achieved from value-added products
3. Back-to-back hedging and 100% core inventory hedging that enables locking of margins

Key facets of our balance sheet, 2021-22:
1. Reduction achieved in net working capital to 74 days from 90 days earlier due to higher domestic scrap availability, lower imports that reduces transit time, and retail scrap collection through OEMs
2. 29% ROCE achieved, up sharply from 18% in the previous year

Chairman's communique

As our performance in 2021-22 and our Vision 2026 demonstrates, we will not take the easiest path but take the path that we believe will drive the best long-term value for our shareholders and the planet.

– Dr. M.P. Agarwal

Dear Shareholder

As I look back at the exceptional year of 2021-22, I could not have been prouder of the entire Gravita family. Our employees and our business continued to demonstrate the strength of our platform, with the Company achieving robust operational and financial performance during the year. Today, Gravita stands strong with over 1900 employees across our operations in India and around the world in the Americas, Europe, Africa and Asia.

While we had hoped that COVID-19 would be behind us with the vaccine roll-outs across India and the rest of the world, we continued to see disruptions from government mandated business closures across many of our markets to curb the transmission of virus mutants. The broader impact of the pandemic on India and global economies also led to labour shortages, growing inflationary pressure and overall supply chain disruptions. That backdrop makes the results we were able to achieve together even more exceptional.

Accountability starts with me as Gravita's Founder and Chairman and the collective equity ownership of our management team through four ESOP rounds and 2% equity holding in Employee Welfare Trust proved yet again how team alignment drives a relentless focus on value creation for everyone, including our shareholders. We are committed to shared prosperity and an equal world for all and I believe that is what distinguishes us from the others. As our performance in 2021-22 and our Vision 2026 demonstrates, we will not take the easiest path but take the path that we believe will drive the best long-term value for our shareholders and the planet.

General overview

Our world is at a historic juncture, as a major ecological transformation is underway. It aims to reduce the excesses for which man is both responsible and the victim. Excess withdrawals from nature have provoked scarcity, and excess discharges into the environment has generated unprecedented waste and pollution.

Given the sheer scale of the environmental challenges facing humanity today, half-measures are no longer good enough. The world must move towards a swift transformation. So now is no longer the time for transition, but for a higher, more challenging and more pressing ambition: ecological transformation. To make this transformation a reality, new technologies and new business models must be developed, including accelerating recycling efforts with the idea of putting recycled resources back into the value chain. At Gravita, we are working hard to do so.

According to me, two major events will define the waste recycling industry and circular economy going forward. One, rising inflation due to stimulus measures of the past has sharply increased the price of basic primary commodities that are key inputs for various industries. This has further stoked consumer inflation and have prompted central banks the world over to rapidly raise interest rates with the result that economists widely believe will lead to stagflation and recession. Two, on top of the pandemic, the Russia-Ukraine war has further destablised and disrupted global supply chains that has also pushed up costs. So, increased supply of recycled products for re-utilization can be an answer to the problem. This will also have a major positive impact on the environment. Hence, policymakers and governments must make recycling and re-purposing of waste a prioritised agenda.

Financial highlights of the year

As stated earlier, Gravita delivered another strong financial performance during the financial year under review, notwithstanding the ongoing challenges presented by COVID-19 and the war. The Company's revenue from operations scaled up sharply by about 57% from ₹1,410 cr in 2020-21 to ₹ 2,216 cr in 2021-22 on the back of strong performance achieved in all the business verticals- lead, aluminium and plastic, with volume sales of 1,03,612 MT (27% YoY growth), 13,116 MT (71% YoY growth) and 16,309 MT (7% YoY growth), respectively. Further, net profit after tax stood at ₹ 139 cr, 166% higher than the prior year, translating into earnings per share of ₹ 20.60.

The key levels of this performance comprised rising volume sales and stronger momentum in EBIDTA per MT, that is a reflection of our pricing power, economies of scale and strong cost efficiencies.

Each of our verticals – Lead, Aluminium, Plastics and recycling projects reported improved performance compared to the prior corresponding period:

- Lead reported segment revenue growth of 52% to ₹ 1,870 cr
- Aluminium reported segment revenue growth of 117% to ₹ 207 cr
- Plastics reported segment revenue growth of 70% to ₹ 131 cr
- Recycling projects reported segment revenue growth of 64% to ₹ 6 cr

While Lead segment continued to do well it was a turnaround performance for the plastics and Aluminium businesses and we expect the momentum to continue in this year too.

Rising higher for sustainable future

Throughout the year we continued to execute our strategy, enabling us to strengthen our network of solid globally-spread infrastructure assets, which are key to sustainably aggregating and recycling resources generated across India and the world. This comprises our basic focus on rising higher for a sustainable future.

In addition to our mainstay of Lead recycling, we also accelerated focus on Aluminium and Plastic recycling with the result that both these business are attaining scale. This gave us the confidence to take steps in rubber recycling, in line with our focus on resource diversification and diversifying in new recycling segments. We have already articulated Vision 2026 that envisages recycling of rubber, copper, paper, e-waste and lithium. Our entry into new verticals will be eased based on our proven skills and capabilities and our strong knowhow in safe and reliable recycling will enable us to shrink payback and hence boost cashflows and liquidity, thus creating a pool of growth capital for the Company.

I want to mention that our competitive edge is secure on account of the high competitive barriers to entry, including both internal and external factors, such as specialist knowledge required in the business, OEM approvals that are typically long gestation, multinational procurement and customer network, government licenses required for imports, etc. Thus it is possible to not just protect but also grow our market share.

People and culture will always be central to the sustainability of our business. I am pleased to report that over the course of the year we improved our health and safety performance, improved our overall employee engagement and introduced programs for our employees as they continue to work through the impacts of COVID-19. The Company's top management has experience of more than 30 years in diversified industries. Further, we have separate SBU heads for all verticals, thus ensuring dedicated focus on growth.

Looking forward

We are bolstering our capabilities to build a large green machine platform in a world that is increasingly focused on the need for sustainable solutions. We are excited about the opportunities that this need creates for our business. The year 2021-22 was a clear demonstration of that capability to generate strong performance and to withstand the impact of many challenges. The quality of our asset base and strong market selection continues to be the foundation of our growth. While the strength of our brand supports talent retention, the dedication of our employees allows us to excel.

As we look ahead to 2022-23 and beyond, the hard work, dedication and focus of our employees on long-term value creation for our shareholders will continue to drive us and because of that I know that the future for Gravita and our employees will be brighter.

Finally, I would like to thank our shareholders for the continuing support you have given the Board and management of Gravita. Making a sustainable future possible is a mission that unites the people who make Gravita the Company it is. It has been my privilege to lead a team of committed people in an executive capacity and I look forward to celebrating our future successes together.

Thank you for your continued support and cooperation.

Best wishes,

M.P. Agarwal
Chairman
DIN: 00188179

Our operating model: Creating value together for all

Our value creation journey begins through our products and services. We have adopted an integrated approach to value creation by considering the external environment, including market risks and opportunities, and our relationship with stakeholders, assessing our material impacts and formulating strategies that lead us on the path to sustainable value for all stakeholders. We regard value creation as a continuous navigation of these factors, where each stakeholder benefits from our business.

OUR KEY STRENGTHS…

High valued-added know-how

- Expertise in Recycling of waste and manufacturing of value added products

Committed people

- 1900+ employees
- 19% with Company for 5+ years

Extensive market presence

- Global and pan-India operations
- Deep procurement network: 29 own yards, 1,400+ touchpoints, 1,80,000 MT scrap collection Asia, Africa, Americas and Europe
- 300+ globally diversified customers in 35+ countries with 1,30,000 MT of recycled products delivered
- Strong Turnkey solution services offering with experience of 50+ projects executed globally

Multiple financial strengths

- Back-to-back hedging, including core inventory hedging through forward contract on the LME, that helps mitigate commodity price fluctuations
- Reduced net working capital cycle to 74 days through domestic procurement of waste that has increased to 54% of the total in FY2022, from 18% five years ago

An ambitious strategy

- Vision 2026 that articulates judicious capital use, returns-focused growth and enhancing shareholder value

Strong governance

- Diverse expertise within the Board of Directors
- 50% members on the Board comprise Independent Directors

…SUPPORT ENHANCING OUR CAPITALS…

Manufactured/Infrastructure

Our equipment, plant and machinery that we manage provide a sustained and steady source of revenue generation..

Financial/Monetary

Income from our core business segment, lead recycling, and other fast-growing businesses- aluminium and plastics recycling,

ensure a healthy cash flow position for the Company to capitalise on new value propositions, such as diversifying the product portfolio.

Robust Management

- Top management with an average experience of more than 26 Yrs in diversified industries
- Separate SBU heads for all verticals
- Average 13 years of Management Association

Human Capital

400+ executive employees

150+ Professionals

35 Yrs Average Employee Age

Average 5 Years employee Associations

- Incentive scheme throughout the organisation

Social/Societal

Our relationship with our stakeholders formed through goodwill help build trust and credibility in our organisation and create an ecosystem where every stakeholder is a beneficiary out of their association with us.

Natural/Environmental

Our business operations help unlock the potential of resource recyclability and reuse into mainstream value chains. This also helps in environmental management.

Intellectual

The knowledge, processes, technologies and systems embedded in our operations enable us to ensure safe, secure and sustainable operations while providing us the license to operate.

…LEADING TO SUSTAINABLE VALUE CREATION FOR ALL

Manufactured/Assets

- Industrial establishments in 3 continents- Americas, Africa and Asia
- 29 own yards, including 24 in Africa, 4 in the Americas and 1 in Asia, facilitating procurement
- 300+ customers served in over 35 countries

Economic/financial

- Total assets of ₹ 998 cr (FY2021: ₹ 726 cr)
- Cash and equivalent of ₹ 23 cr (FY2021: ₹11cr)
- Revenue of ₹ 2,216cr (FY2021: ₹ 1,410 cr)
- Total expenses of ₹ 2,059 cr (FY2021: ₹ 1,346. cr)
- Net profit of ₹ 139 cr (FY2021: ₹ 52 cr)
- EPS of ₹ 20.60 (FY2021: ₹ 7.72)

Employees

- Employee benefits expenses of 103 cr (FY2021: 73 cr)
- 4 rounds of ESOPs
- 2% equity holding by Employee Welfare Trust

Society/Social

- ₹ 73.39 lakh expensed in various CSR initatives in the field of Health, Environment and Education.

Natural

- 113,156 MT of lead recycled
- 9,419 MT of aluminium recycled
- 13,043 MT of plastics recycled
- Installed 1300 KW solar across all manufacturing facilities

Key strategic priorities aligned to Vision 2026

- **Broaden and widen income streams**
- **Deepen competencies and skills**
- **Develop new capabilities**
- **Enable organisational transformation**

Awards and Achievements

- Luxury Lifestyle Awards- For best company in recycling space
- Export Excellence Award by Rajasthan Chamber of Commerce
- Northern Region Export Excellence Award by FIEO
- Rajasthan Export Award for Highest Export Turnover
- The President's National Awards for Export Achievement 2014 & 2015 by Ghana
- Export Promotion Authority
- Best Performing company in Non Ferrous Metals
- Best Employer Award by the Employers' Association of Rajasthan
- Business Today Green SME Award
- Recognized as Star Export House by Govt. of India
- Business Leadership Award
- Innovative 100 Award by Inc. India
- MSME National Award
- Emerging India Award

Embedding sustainability into our system

As a Company engaged in the resource recycling business, entrenching ESG (environment, social, governance) issues in our operations and the organisation as a whole is not just a part of our good business focus, but an imperative to protect the planet through sustainable resource recycling and mainstreaming. Towards this extent, our holistic approach to sustainability comprises a determined effort to put us at the forefront of generating positive impacts in the three spheres of People, Planet and Prosperity. Going forward, we will introduce additional initiatives that will enlist the participation of our stakeholders to strengthen our sustainability program and leave a sound legacy for future generations.

Environmental

Key statistics

4 Resources recycled – Lead, Aluminium, Plastics and Rubber	**135,617 MT** Total resources recycled
180,000 MT Scrap collection	**133,037 MT** Recycled products delivered

Increased domestic scrap collection

- Strong focus on aggregating domestic scrap has contributed to effective recycling of waste in the country, with domestically collected raw materials going up to 54% of our total raw material collection in India.
- This is governed by shift of scrap procurement from the informal to the formal sector for processing through an authorized recycler, through contracts with battery manufacturers, through pan-India collection of scrap from corporates, and through executing contracts with various chains of workshops around the country.
- Our major domestic scrap collection partners include Amara Raja, ATC India, Indus Towers, TATA, Reliance Industries, V-Guard, Asian Paints, Bharti Infratel, Tower Vision, Wyan, NTT, etc.

Scrap recycling

- Use of Lead, Aluminum and Plastic scrap in manufacturing/recycling of finished goods has been led by an established process put in place for scrap collection and recycling.
- Robust systems have been installed to mitigate exposure risk of hazardous materials and have a strong and well-governed environment for industrial and worker safety.

Conserving nature

- Consciously track use of resources such as water, energy and raw materials throughout our operations.

Energy conservation

- Utilizing alternate sources of energy by installing solar panels for plants situated in Mundra, Chittoor, Phagi and SEZ Jaipur, thereby minimizing consumption of electricity from commercial electricity boards and contributing to green energy use.

Alternate energy source

- Use of pyrolysis oil generated during the waste rubber recycling process as an alternate source of energy for recycling of lead and aluminium, thus lowering dependence on conventional electricity.
- Use of carbon briquettes as alternate source of energy during the recycling process.

Social

Key statistics

4 ESOP rounds	**2%** Equity holding in Employee Welfare Trust	**6%** Employees with 10+ years of tenure
OHSAS-18001 Certified	**₹ 73.39 lakh** CSR spends	

Engagement platforms

- Vibrant engagement platforms with customers and suppliers/partners, including regular business meetings, customer satisfaction surveys, etc.

Product/service safety and quality

- I dentify areas for improvement at every stage of the manufacturing process to provide the best value possible.

Diversity and inclusion

- 67 permanent women employees as on 31st March, 2022.
- 4% women in the workforce, with plans to enhance employee diversity.

Staff turnover rate

- Low attrition- Age up to 30 years 3% attrition; age from 31-44 years 2%, and age 44+ years 1%.
- 19% of staff has remained with the Company for 5+ years.
- Compensation that goes beyond just meeting statutory requirements, e.g., ESOPs and Employee Welfare Trust.

Employee well-being

- Well-defined policies/principles in place to foster full and holistic employee safety and wellbeing, which not only takes care of their wellness but also the environment

Citizenship programs

- Main focus of CSR activities comprise addressing challenges at the grassroots, including healthcare, education and the environment

Governance

Key statistics

50% Independent Directors	**"A"** Rating by Brickwork	**1st ILA** Asia's accredited plant
ISO 9001:2015 & ISO 14000:2015 Certified	**MCX** empanelment Gravita became an MCX empaneled brand for refined lead	

Business ethics

We have always remained mindful of embracing a multistakeholder approach towards building trust with all our stakeholders, including shareholders, employees, customers, suppliers, etc., anchored on the principles of good governance founded on integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

Related party transactions

Details of related party transactions and balance outstanding with related parties is transparently disclosed in the annual report.

Board of Directors

50% of our Board of Directors comprise Independent Directors.

Financial expertise of Audit Committee

All members of the Board-appointed Audit Committee of the Company have sound financial knowledge and possess thorough knowledge of accounting, capital allocation and financial management.

Executive pay performance alignment

Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay.

Management Discussion and Analysis Report

GLOBAL ECONOMY OVERVIEW

2021	2022-23
6.1%	3.6%

As per the International Monetary Fund's (IMF's) World Economic Outlook (WEO) April 2022, global growth is projected to slow down from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than in the January 2022 WEO Update.

Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. Importantly, this forecast assumes that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through March 31, 2022, are factored into the baseline), and the pandemic's health and economic impacts abate over the course of 2022.

With a few exceptions, employment and output will typically remain below pre-pandemic trends through 2026. Scarring effects are expected to be much larger in emerging market and developing economies than in advanced economies, reflecting more limited policy support and generally slower vaccination, with output expected to remain below the pre-pandemic trend throughout the forecast horizon. Unusually high uncertainty surrounds this forecast, and downside risks to the global outlook dominate, including from a possible worsening of the war, escalation of sanctions on Russia, a sharper-than-anticipated deceleration in China as a strict zero-COVID policy is tested by Omicron, and a renewed flare-up of the pandemic should a new, more virulent virus strain emerge. Moreover, the war in Ukraine has enforced the probability of wider social and geopolitical tension because of higher food and energy prices, which would further weigh on the outlook.

IMF's April WEO 2022 has indicated that the war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will enforce a significant slowdown in global growth in 2022. A severe double-digit drop in GDP for Ukraine and a large contraction in Russia are more than likely, along with worldwide spillovers through commodity markets, trade and financial channels. Even as the war reduces growth, it will add to inflation. Fuel and food prices have increased rapidly, with vulnerable populations, particularly in low-income countries, most affected. Elevated inflation will complicate the trade-offs central banks face between containing price pressures and safeguarding growth.

Interest rates are expected to rise as central banks tighten policy, exerting pressure on emerging market and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. The invasion has contributed to economic fragmentation, as a number of countries sever commercial ties with Russia and risks derailing the post-pandemic recovery. It also threatens the rules-based frameworks that have facilitated greater global economic integration and helped lift millions out of poverty. In addition, the conflict adds to the economic strains wrought by the pandemic.

Although many parts of the world appear to be moving past the acute phase of the COVID-19 crisis, deaths remain high, especially among the unvaccinated. Moreover, recent lockdowns in key manufacturing and trade hubs in China will likely compound global supply disruptions.

Inflation is expected to remain elevated for longer than in the previous forecast, driven by war-induced commodity price increases and broadening price pressures. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies, 1.8 and 2.8 percentage points higher than projected in January 2022 WEO. Although a gradual resolution of supply-demand imbalances and a modest pickup in labour supply are expected, uncertainty surrounds the forecast.

Conditions could significantly deteriorate. Worsening supply-demand imbalances—including those stemming from the war—and further increases in commodity prices could lead to persistently high inflation, rising inflation expectations and stronger wage growth. With signs emerging that inflation will be high over the medium term, central banks have been forced to react fast, raising interest rates and exposing debt vulnerabilities, particularly in emerging markets.

Overview of the World Economic Outlook Projections (percent change, unless noted otherwise)

Particulars	2021	2022	2023
World Output	**6.1**	**3.6**	**3.6**
Advanced economies	**5.2**	**3.3**	**2.4**
- United States	5.7	3.7	2.3
- Euro Area	5.3	2.8	2.3
- Japan	1.6	2.4	2.3
- United Kingdom	7.4	3.7	1.2
- Canada	4.6	3.9	2.8
- Other Advanced Economies	5.0	3.1	3.0
Emerging Market and Developing Economies	**6.8**	**3.8**	**4.4**
- Emerging and Developing Asia	7.3	5.4	5.6
• China	8.1	4.4	5.1
• India	8.9	8.2	6.9
• ASEAN-5	3.4	5.3	5.9
Middle East and Central Asia	**5.7**	**4.6**	**3.7**
Sub-Saharan Africa	**4.5**	**3.8**	**4.0**

Source: IMF estimates

INDIAN ECONOMY OVERVIEW

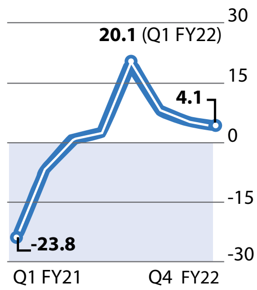
India continues to be a bright spot in the global landscape with regard to economic growth. The Economic Survey of India (released on January 31, 2022), the World Bank, ADB and IMF all have a consensus of the Indian economy remaining the fastest growing major economy in the world during the mid-term forecast of 2021-24.

As per the CSO, India recorded a GDP growth of 8.7 percent in 2021-22. This growth takes the economy above its pre-pandemic level and represents a sharp improvement after contracting 6.6 percent in 2020-21. This growth was mainly due to progressive unlocking of the economy after the second COVID-19 wave in May-June 2021, release of pent-up demand and an enthusiastic vaccination drive backed by indigenous vaccine production. By May 2022, which was the peak of the second wave, the country had successfully vaccinated 889 million people, accounting for over 64% of the population.

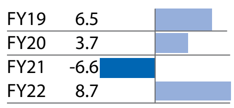
This, along with a milder third or Omicron wave of COVID-19 that started in December 2021 but enforced much lower hospitalisations and deaths than the second wave, resulted in improvement in market sentiment and higher economic activity. The growth also came from a long festive season following a strong economic stimulus package under 'Aatmanirbhar Bharat 3.0' announced by the Government back in November 2020 that sought to indirectly provide Rs 6.3 lac crore towards shoring up the economy. The key objectives of the package was loan guarantee benefits to businesses that would help them

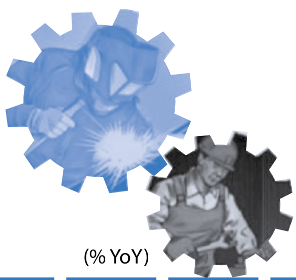
STATE OF THE ECONOMY

Quarterly GDP growth
(% YoY)



Annual GDP growth
(% YoY)



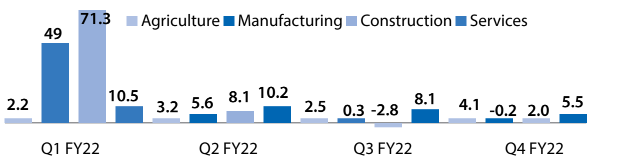


Investments dip (% YoY)

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
Private spending (PFCE)	14.4	10.5	7.4	1.8
Govt. spending (GFCE)	-4.8	8.9	3	4.8
Investment (GFCF)	62.5	14.6	6.1	5.1

Note: PFCE: Private final consumption expenditure; GFCE: Government final consumption expenditure GFCE: Gross fixed capital formation

Sectoral performance
(YoY growth in %)



create jobs and ease their access to financing. Many other policies announced by the government helped in ease of doing business, while facilitating consumption.

With strong fundamentals and large domestic demand, the outlook for the Indian economy remains strong. The government's rapid vaccination drive, investment in infrastructure and focus on improving ease of business are likely to provide the necessary thrust to trade and business. As per IMF forecasts as on June 2022, the Indian economy is estimated to grow 8.2% in 2022-23, which though lower than the earlier estimate of 9% due to implications of the Russia-Ukraine war and higher inflation, is still amongst the fastest growth rates in the world.

GLOBAL LEAD INDUSTRY OVERVIEW

Lead characteristics and applications

Lead is a soft, grey, lustrous metal with a high density and low melting point. It is a naturally occurring element that is soft and malleable. It is a post-transition metal that is dense and can be easily tarnished into a dull grey colour. Lead's use by humans dates back to 7000-6500 BCE. Ancient Egyptians first used it in cosmetics, glasses, enamels, etc. Today, lead is commonly used in car batteries, pigments, lifting weights and ammunition, among others.

The primary application for lead continues to be in lead-acid batteries, which account for around 80 percent of the metal's use. These batteries are one of the oldest and most matured battery technologies, and one can find this product in several applications, including cars, UPS for computers, inverters for houses and even grid-scale storage systems. They have a reasonable life and low costs compared to other battery types. They also have robust manufacturing and supply chains with the lowest production cost. At the end of its life, 99 percent of a lead-acid battery can be recycled in a green and environmentally-safe way, which is not the case with other battery technologies. Importantly, 99 percent recycling rate of lead is highest when compared to other regularly recycled items, like corrugated boxes (88.5%), steel cans (71%) and newspapers or paper (67%).

Lead-acid batteries are ideal for all types of vehicles because of their relatively large power-to-weight ratio, which allows them to supply the high surge currents required by automobile starter motors. Advances in lead-acid battery discharge/charge cycles have also made these viable as power storage cells at emergency power stations for hospitals and computer installations as well as alarm systems. They are also used as storage cells for renewable energy sources, such as wind turbines and solar cells.

The global market for lead-acid batteries (LAB) is estimated in the range of US$ 38-42 billion, of which 66% comprises automotive demand and the rest 29% industrial demand. In India, the LAB market size stands at about ₹ 36,500 crore. Some of the major players in the Indian market are Amara Raja, Exide, HBL, Luminous and Liv Guard.

Automotive segment:

Post-pandemic environment witnessed a V-shaped recovery, with most geographies expected to be placed firmly on the recovery path by 2023. In India, passenger vehicles (PV) sales that dipped in the last two years is expected to witness a strong rebound over the medium term. These trends suggest promising prospects for Gravita. Furthermore, by 2030, India is expected to experience accelerated adoption of electric mobility at varying degrees across vehicle categories, expected to rise from about 6% of the on-road vehicle population to about 33% in 2040. Notably, even as India transitions to e-mobility, LAB demand will continue to grow alongside conventional internal combustion engine (ICE) vehicles. Growing traction of electric vehicles (EVs) will further enhance volumes for lead-acid batteries as it will open up a whole new application as an auxiliary battery in EVs.

Energy and mobility industrial segment:

LAB demand will continue to remain strong in international industrial markets despite lithium gaining traction. There are significant opportunities in Europe in UPS and telecom applications. For automotive power, LAB continues to be the established and preferred choice, a trend that will continue going forward. In the Indian context, LAB demand will remain robust in certain segments, including telecom, which would witness annual growth of 8-10% into FY 2025.

Furthermore, the data center market in India, although nascent, promises exciting prospects. Since 2014, India's data center market has grown by 520% against global average growth of 100% over the same period, albeit on a smaller base. This trend is expected to accelerate in the future, as leading corporates have announced large investments in data center infrastructure over the coming years. UPS volumes are expected to grow at 7% into FY 2025. Thus, demand for LAB will continue to grow in the current decade.

As a consequence, the lead market is expected to grow in proportion to the LAB segment, since more than 70% of lead is used for these applications.

Although pure lead is highly reactive, lead compounds such as lead oxide are very stable, making them highly suitable as an input/ingredient in corrosion-resistant coating for iron and steel. Lead coatings are also used to protect ship hulls, while lead stabilizers and sheathings are used to protect undersea power and communication cables.

Lead alloys are still used in some bullets and, due to the metal's low melting point, in metal solders. Lead glass has special applications in camera lenses and optical instruments, while lead crystal, which contains up to 36 percent lead, is used to create decorative or ornamental pieces. Other lead compounds are used in paint pigments as well as matches and fireworks.

Lead reserves and distribution

Though the content of lead in the earth's crust is 0.0016%, yet reserves are abundant. Currently, the proven resource volume is more than 2 billion tons, and the reserve volume is approximately 90 million tons, as per www.statista.com.

Lead reserves worldwide – from 2015-2021 (mn MT)

Year	Reserves
2015	89
2016	88
2017	88
2018	83
2019	90
2020	88
2021	90

In nature, lead resources exist largely in the form of associated minerals, with the ore deposit mainly containing lead, together with the single lead deposits accounting for only 32.2% of the total reserves. In addition, a small amount of lead also exists in all kinds of uranium and thorium mines. Lead resource distribution in the world is as follows :

- Australia 37%
- China 18%
- Peru 6.4%
- Mexico 5.6%
- United States 5%
- Russia 4%
- Indian 2.5%

Lead reserves of these seven countries account for over 78% of total global reserves.

Lead consumption and the circular economy

Lead is one of the most recycled materials in terms of recovery rate. It can be remelted infinitely to remove impurities. Its fundamental properties make it easily identifiable and cost-effective to collect and recycle. Notably, more than 50 percent of lead used in the production of new lead products around the world is sourced from recycled lead. As the quality of the recycled lead is virtually identical to primary lead collected directly from mining, its value and demand as a recycled material is high.

Currently, more than 85 percent of lead is used in the production of lead batteries, while nearly 100 percent of this quantum is easily recoverable and recyclable. Estimates suggest that almost all lead produced in the US and as much as 74 percent produced in Europe comes from recycled stock. The current lead recycling rate in North America and Europe is nearly 100 percent. According to EUROBAT and Battery Council International (BCI), lead-acid battery is the most recycled consumer product in the world.

With regards to other uses of lead, lead sheet is utilized as a radiation shield in the healthcare industry and for roofing in the construction industry. As in the case of lead batteries, lead sheet enjoys remarkable recycling success. Nearly all lead sheets used in these applications are manufactured from recycled lead.

Lead based batteries are a crucial component of over a billion diesel and petrol vehicles globally. Such batteries are also used in several critical stationary applications, such as providing backup power for telecommunication systems. Given that lead-acid batteries are essential for cars to operate, the systematic and responsible recycling of lead is a high priority.

Recovering and recycling lead has tremendous environmental advantages. Lead recycling reduces the release of lead into the environment and conserves natural resources. Lead battery is a hazardous waste and its disposal poses both health and environmental threats, which makes recycling an imperative. On the contrary, use of recycled lead is highly energy efficient. Recycled lead production takes only 35-40 percent of the energy needed to produce primary lead from ore. Unlike most other materials, lead can be re-melted and recycled indefinitely without the slightest diminution in quality, making it the perfect material for the circular economy.

Lead production and prices

Global lead output is estimated to have grown by 4.6% in 2021 after declining by 5% in 2020, as per Global Data in www.mining-technology.com. After registering an estimated 5% decline in 2020 to 4,482.0 KT, global lead production is forecast to have recovered by 4.6% to reach 4,690.3 KT in 2021. Though China has the second largest lead resources, the country produced the highest volume of lead in 2021, as per US Geological Survey data published in www.investingnews.com. A country-wise breakup is provided below:

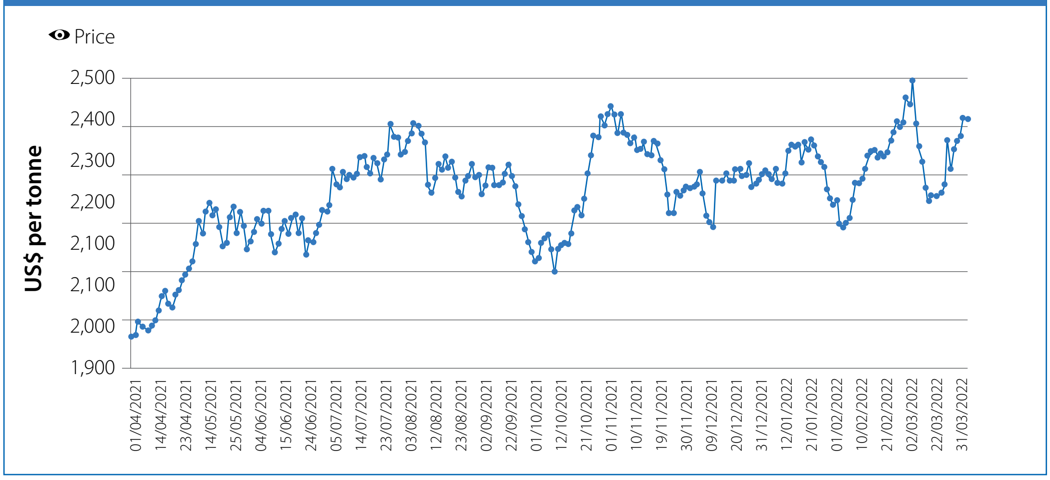
China	China produced 2 million MT of lead in 2021, up from its 2020 output of 1.9 million MT. Interestingly, the increase came despite a surplus of lead in warehouses.
Australia	Australia came in second, with lead production of 5,00,000 MT in 2021, which pales in comparison to China's output. Still, it was an increase from the 2020 output of 4,94,000 MT. As a world-leading exporter of lead, much of the lead ore, lead concentrate and refined lead produced is shipped to the UK, South Korea, Japan, Taiwan, Indonesia, India and Malaysia.
United States	Lead production dropped in the US in 2021 to 3,00,000 MT, down from 3,06,000 MT in 2020. Secondary lead production declined by about 4 percent owing to reduction in production of several secondary lead smelters and closure of one secondary lead smelter in South Carolina during the year.
Peru	Peru witnessed an increase in lead production in 2021, with output of 2,80,000 MT, while its 2020 production totalled 2,42,000 MT.
Mexico	In Mexico, lead production came in at 2,70,000 MT in 2021, up slightly from the nation's 2020 production of 2,60,000 MT.
Russia	Russia's lead production remained unchanged from 2020 to 2021 at 2,10,000 MT. It remains to be seen what impact the war will have on the nation's lead mining industry in the current year, with the possibility of a decline on account of various global sanctions put on the country.

Looking ahead, lead production is assessed to grow at a CAGR of 2.5% to reach 5.2 million MT in 2025.

Just like other commodities, prices of lead remained highly volatile in 2021. This was on account of the continued impact of the pandemic, with much of the world being hit by the second and subsequent waves of the virus after its onset in March 2020.

While lead prices started the year 2021 at about US$ 1,940 per MT, prices settled higher at around US$ 2,400 per MT at the close of the year (LME Lead Closing prices on www.lme.com). This is indicated in the graphic below.

LME Lead Closing prices graph



The market was negatively impacted by COVID-19 in 2020 during which construction activity and mobility, among other industrial activities, were halted temporarily during the lockdown to curb the spread of new cases, leading to a decline in demand for lead-based products. However, there was a complete reversal in 2021, as with progressive withdrawal of lockdowns, economic activity resumed, including construction, which expanded demand for lead and lead products.

Furthermore, with the opening up of industrial activity and office establishments, mobility started to pick up sharply, resulting in resumption of lead sales in vehicle batteries. Thus, demand for lead-acid batteries started to grow due to the restart of automotive manufacturing units after the lockdown. In addition, demand for lead-acid batteries, especially valve-regulated lead-acid (VRLA) batteries, from the electronics and telecommunication industry continued to demonstrate an increase during this period, as hybrid work environments continued to remain in place. Thus, growing demand for lead-acid batteries globally drove market growth.

Asia-Pacific dominated global lead consumption, with the majority of the demand coming from China, South Korea, Japan and ASEAN countries.

Forward outlook

Lead-acid batteries are used in the form of starting, lighting and ignition (SLI) batteries, stationary batteries (telecom, UPS, energy storage systems, etc.), portable batteries (consumer electronics, etc.), etc. SLI batteries have major applications and are designed for automobiles and are therefore always installed with the vehicle's charging system, which means that there is a continuous cycle of charge-discharge in the battery whenever the vehicle is in use. The major factor attributing to the growth of the SLI battery market is growing demand for these batteries to power start motor, lights and ignition systems or other internal combustion engines with high performance, long life and cost-efficiency. In this regard, the lead-acid battery is the technology of choice for all SLI battery applications in conventional combustion engine vehicles, such as cars and trucks.

According to ACEA (www.acea.auto), in 2021, 79.1 million motor vehicles were produced around the world, representing an increase of 1.3% vs. 2020, thus increasing demand for batteries installed in vehicles and positively impacting demand for lead. Notably, South Asia reported the highest vehicle sales in the world in 2021, growing by 24.6% during the year. Furthermore, South America also reported impressive growth in vehicle sales of 15.6% in 2021, while Middle East and Africa also expanded by a healthy 10%. In the current year however global semiconductor shortages and supply chain disruptions enforced by the war is expected to impact vehicle sales. Yet, the demand side remains intact as rising need for own car and preference for personal mobility continues to drive vehicle demand.

Although the market for conventional combustion engines is expected to decline over the next 30-40 years, replacement car technologies are expected to continue to use SLI-type lead-acid batteries to provide power for a range of electronics and safety features within the vehicle. This is expected to enhance demand for batteries during the forecast period.

For instance, valve-regulated lead-acid (VRLA) battery finds application in off-grid power systems, telecom tower backup systems, solar/photovoltaic systems, computer UPS and others. According to Japan Electronics and Information Technology Industries Association (JEITA), the global electronics and IT industry's production was valued at US$ 2,972.7 billion in 2020, and it is estimated to have reached US$ 3,175.6 billion in 2021, thus constituting a growth of 7% and hence increasing demand for batteries used in different electrical and electronics applications.

As per Mordor Intelligence, the Asia-Pacific Region is expected to dominate the lead market, with the majority of the demand coming from China, Japan and India.

Lead-acid batteries are used in electric vehicles (EVs), mainly commercial EVs, to supplement other ancillary loads. China is currently the largest market for EVs. In April 2020, the Ministry of Finance of the People's Republic of China issued a notice on ways to promote financial subsidies for new electric vehicles. It stated that new EVs purchased between January 1, 2021 and December 31, 2022 would be exempted from vehicle purchase tax.

In India, as per SIAM (www.siam.in), the country produced a total 2,29,33,230 vehicles, including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycles from April 2021 to March 2022, as against 2,26,55,609 units in April 2020 to March 2021 period. This expanded the demand for batteries and lead in the country during the year. However, the recent decline in the automotive industry may hinder the market, which may be compensated to some extent by the early enthusiasm and growth around EVs.

In terms of other sectors, increasing number of solar power projects and continuous expansion of telecommunication infrastructure, including preparation for 5G, are expected to drive demand for lead-acid batteries in the country, which will increase demand for lead. Furthermore, lead sheets are being used in the building and construction industry for roofing, cladding and for flashing/weathering to prevent water penetration. High-density lead sheets are being used for acoustic insulation purposes inside buildings. Some of the other key applications of lead-based products include cornices, gutters, parapets, electrical conduits, etc.

Therefore, the aforementioned factors are expected to have a significant impact on the lead market in the region in the coming years, as indicated in the graphic below.

Source: Morder Intelligence

INDIAN LEAD INDUSTRY OVERVIEW

Mining and consumption

As per IBEF (www.ibef.org), infrastructure development and the automotive industry are driving growth in the metals and mining sector in India. India has a vast mineral potential with mining leases granted for a longer duration of 50 years. As of FY 2021, the number of reporting mines in India was estimated at 1,229 of which reporting mines for metallic minerals were estimated at 545.

According to a government report, total metal content in reserves/resources of lead is 13 million tons. In terms of reserves, 2.48 million tons of lead metal have been estimated. Rajasthan is endowed with the largest reserves of lead (and zinc) ore at 670.34 million tons (89.44%), followed by Andhra Pradesh at 22.69 million tons (3.03%), Madhya Pradesh at 14.84 million tons (1.98%), Bihar at 11.43 million tons (1.52%) and Maharashtra at 9.27 million tons (1.24%). Lead resources have also been established in Gujarat, Meghalaya, Odisha, Sikkim, Tamil Nadu, Uttarakhand and West Bengal.

Though the COVID-19 pandemic impacted lead demand in CY 2020, reducing consumption by 3.6% Y-o-Y, the outlook is of a strong rebound, with demand projected to have expanded by 4.5% Y-o-Y in CY 2021. Refined lead output that increased by 1% in CY 2020 is anticipated to have rebounded by 3.6% in CY 2021. The country's refined lead market stands at about 1.1 million tons, including both primary and secondary markets. The demand for primary lead remained stagnant at approximately 250 KT in FY 2020-21 as per latest data available.

Resilient nature of lead markets has meant a significant proportion of the impact being demand deferral rather than demand destruction, with the majority of this deferred demand carried over into 2021 and beyond. The lead-acid battery (LAB) industry that drives more than 80% demand for lead in the country saw marginal increase in demand driven by the upsurge in aftermarket demand for replacement of old and discharged vehicular batteries. As per a zinc major in the country, LAB segment's revenue was approximately Rs 33,000 crore in FY 2020-21, driven by an aftermarket volume growth of 14% in two-wheelers and 6% in other vehicular batteries.

A strong rebound is expected in lead consumption in India, especially recycled lead, on account of the following broad factors:

- Post-pandemic green energy transition and EVs push, including greening of commercial freight
- Short-term pent-up demand
- Elevated mine disruption that could depress demand for primary lead and increase demand for secondary or recycled lead

Degree of self-sufficiency in lead

Commodity	Demand/domestic consumption ('000 tonnes	Supply/domestic supply ('000 tonnes)	Order of self-sufficiency (%)
Lead (primary)	318*	198	52

Source: MCDR Returns for production data

* Based on production of lead (primary) and imports and exports of lead and alloys

Overview, prospects and key market trends

Just like the rest of the world, storage battery scrap is the elementary source of secondary lead production in India. The country continues to harness the basic characteristic of lead comprising it being recycled and re-melted any number of times and processed and purified to transform into secondary lead, which is indistinguishable from primary lead produced from ore. The amount of lead recycled in India stands at about 74-75% of the total lead production. Over 70% of lead consumed in the country goes into manufacturing lead batteries. Lead, when used as metal in batteries, cable sheathing and sheathing for containing radiation, is fully recyclable and does not lose its properties.

On a granular basis, the Indian lead-acid battery market was valued at US$ 4.86 billion in FY 2020 and is expected to reach a size of US$ 8.57 billion by FY 2027, thus registering a CAGR of 9.47% during the forecast period of 2022-27, as per Mordor Intelligence (www.mordorintelligence.com).

The COVID-19 pandemic exerted a minor impact on the lead-acid battery market in India, as demand from end-user industries recovered in the later half of 2020. This was primarily due to the deficit covered by the industrial and other applications segment, which was created by lower demand in the SLI segment due to lower vehicle sales during the pandemic. Factors, such as growing demand from telecommunication and data centers, coupled with increasing application in industries such as railways, are expected to drive the market up to FY 2027. However, alternate technologies, mainly lithium-ion, are expected to disrupt market growth, primarily owing to declining costs and technical advantages. Yet in terms of application, the market is dominated by SLI batteries, owing to the large vehicle fleet of the country which by default translates into large volumes of lead-acid battery sales in the future.

• Automotive demand

In terms of key market trends and growth drivers, SLI battery application is expected to dominate the market. SLI batteries have been in almost every car for the past 100 years. Generally, SLI batteries are used for short power bursts, such as starting a car engine or running light electrical loads. Moreover, these batteries supply extra power when the vehicle's electrical load exceeds the supply from the charging system (alternator) and act as a voltage stabilizer in the electrical system that evens out voltage spikes, thereby preventing damage to sophisticated components in the electrical system.

Major factors attributed to the growth of the SLI battery market is rising demand for these batteries to power starter motors, lights and ignition systems or other internal combustion engines with high performance, long life and cost-efficiency. Moreover, lead-acid battery is the technology of choice for all SLI battery applications in conventional combustion engine vehicles in India, such as cars and trucks.

Over the past few years, India has witnessed sound growth in per capita income. This in turn improved the level of disposable income. As a result, there has been a surge in sales of automobiles if one looks at the mid-term period in the past, particularly of two-wheeler and four-wheeler varieties. This expanded the demand for SLI batteries. In India, EV sales (excluding e-rickshaws) also witnessed growth of 20% and reached 1.56 lakh units in FY 2020, as per the latest figures available and expected to be much higher in FY 2021 and FY 2022. The Indian government recently launched the National Electric Mobility Mission, which will witness increased use of lead-acid batteries in electric two-wheelers and e-rickshaws. Thus, overall, with the recovering economy and demand for automobiles, the demand for SLI batteries is likely to increase over the foreseeable future.

• Increasing demand for telecommunication and data center applications

The telecommunication industry in India is the second-largest in the world, with TRAI (Telecommunication Regulatory Authority of India) data showing that India's total wireless subscribers stood at 114.3 crore at the end of April 2022. Wireless subscription in urban areas stood at 62.4 crore at the end of April 2022, while subscription in rural markets inched up to 51.8 crore. Stationary batteries are used for a wide range of applications, where power is necessary on a standby or emergency basis. These batteries are not discharged frequently due to minimal duration and they do not require high storage capacity. Thus, lead-acid batteries provide a viable solution to the telecom sector.

Growing population, era of digital and digitalization and 4G services that are well-established in the country are some of the prominent factors contributing to the growing subscriber base in India during the last decade. With increasing subscribers, telecom companies are required to augment the network by increasing the number of telecom towers, which will create considerable demand for lead-acid batteries for backup purposes.

According to GSMA, India's mobile economy is rising rapidly and it will contribute significantly to India's GDP. In 2019, India surpassed the US to become the second-largest market in terms of app downloads. Increasing growth in e-commerce and digitalization will lead to demand for lead acid batteries.

Moreover, yet another exciting frontier that has opened up is growth in data centers and tower installations. India has 133 data centers and the country's data center industry's capacity is expected to witness a five-fold increase as it is anticipated to add 3,900-4,100 MW of capacity involving investments of Rs 1.05-1.20 lakh crore in the next five years, as per ICRA.

• Energy storage for renewables and non-conventional energy

With the target of 430 GW of renewable energy by 2030, energy storage in India offers a tremendous opportunity for advanced lead acid batteries. Though the country has been producing hydro and thermal power for several years now, only recently has the focus shifted to renewable energy and lead batteries, being highly recyclable and economical, offers the required energy density.

Generating power from non-renewable sources such as coal or nuclear energy does not need storage of energy. However, with renewable energy such as solar or wind, production is not consistent due to seasonality. It is therefore an imperative to have a low-cost and reliable method to store excess energy generated for use during periods when either production dips or demand spikes. Lead batteries have always stored electricity and it is the oldest, most proven and reliable battery technology available.

According to India Energy Storage Alliance (IESA), the Indian energy storage market is likely to double and is expected to grow to 70 GW by 2022. Therefore, there is critical need for recycled lead-acid batteries to ensure less dependence on lead imports and prevent harm to the environment. To this end, India Lead Zinc Development Association has urged state pollution control boards to ensure awareness on eco-friendly recycling of batteries should be spread amongst the industry as well as the population.

• Advanced lead-acid batteries: The next Gen

Advanced lead-acid batteries offer better energy density and more cycles before they start to lose capacity. They have a longer life compared to standard lead-acid battery. At the same time, they do not give up any of the positives of the traditional lead-acid battery, which require low cost energy for production, are easily available, have high reliability and a robust recycling ecosystem. Thus, with their low cost of production and zero impact on the environment thanks to their recyclability, advanced lead-acid batteries can play a strategic role in India's energy storage market.

ALUMINIUM INDUSTRY OVERVIEW

Key characteristics and overview

Aluminium is the most common metal in the earth's crust and, being highly versatile, is the second most used metal (after steel). One of the most critical properties of aluminium is that it is 100% recyclable and thus is highly relevant to the growing emphasis on the circular economy. In fact, aluminium can be recycled an infinite number of times while still retaining high quality.

Aluminium is the sixth most ductile and second most malleable metal on earth. It is exceptionally light, is impervious to dust, possesses high degree of conductivity and exhibits significant strength when alloyed. It is non-toxic in nature, preserves food for prolonged periods and inhibits growth of micro-organisms. Aluminium is a good electrical conductor and thus is used frequently in electrical transmission lines. In addition, it is also used as primary propellant for solid rocket booster motor in space shuttles. Corrosion resistance, reflectivity and recyclability are other characteristics of aluminium which make it a favourable choice for diverse industrial applications.

The properties that make aluminium a material with a wide range of applications comprise its lightweight, weldability, malleability, heat conductivity, high strength, high electrical conductivity, corrosion-resistance and non-toxicity.

The case for recycled aluminium is solid as production of primary aluminium requires a huge amount of energy, while recycling aluminium requires only 5% of the total energy required to produce primary aluminium from the virgin raw material bauxite. Thus, it effectively contributes in climate action and mitigation, reducing the total environmental impact as well as minimizing GHG emissions.

Primary aluminium is considered as one of the highest CO_2 emitters because of high energy requirement of between 13,000-14,000 Kwh per ton of aluminium production. International Aluminium Institute (IAL) has observed that recycling of post-consumer aluminium products saves over 90 million tons of CO_2 and over 100,000 GWh of electrical energy, thus aluminium recycling contributing to global climate goals of reducing GHG emissions. Each ton of aluminium recycled (rather than produced from ore) saves:

- 24 barrels of crude oil equivalent of energy
- Over 15 tons of fresh or sea water use
- More than 9 tons of CO_2 equivalent of GHG emissions
- 2.5 tons of solid waste, including recyclable solid waste

Though the global market for aluminium products is fed by both primary (around 65%) and recycled (around 35%) metal sources, improving the overall collection rates of used products is an essential facet of sustainable development.

The industry continues to recycle all the aluminium collected from end-of-life products as well as from fabrication and manufacturing process scrap. For most aluminium products, the metal is not actually consumed during the product's lifetime, but simply used with the potential to be recycled without any loss of its inherent properties. If scrap is pre-treated/sorted appropriately, recycled aluminium can be utilised for almost all aluminium applications, thereby preserving raw materials and ensuring considerable energy savings. Furthermore, it is expected that with the "End of Life Vehicle Policy" being issued by the government and establishing scientific methods for collection of scrap, dependency of the secondary sector on imported scrap will reduce in the future.

India needs around 1.5 million tons of aluminium scrap, out of which 1.2 million tons is imported and the remaining is aggregated from the domestic market. The highest recycling percentages can be seen in the construction and transport sectors of up to 95%, but packaging sector is equally growing due to increased use of foils and cans. This is especially true for consumer packaging items and consumables such as medicine tablets (blister foils), dairy products, food/FMCG products, among several others. With the COVID-19 pandemic increasing the demand for medicines there has been a surge in requirement of specialised aluminium foils for packaging among pharmaceutical companies both in India and abroad.

On the recycling front, to increase availability of domestic aluminium scrap and moderate dependence on imports, it is essential that the unorganised approach towards scrap collection, aggregation, sorting and processing needs to be formalised with proper processes and controls. A robust collection framework will contribute to bringing even local scrap collectors into the formal network, which shall help in improving tax collection as well as ensure better working conditions for people in the sector.

Production, consumption and prices

The Asia-Pacific is the leading region in terms of growth due to massive urbanization, growth in income of people living in urban areas and rapid industrial development. In addition, continuous advancements in transport industry and ongoing R&D activities to develop innovative, more effective and cheaper aluminium products fuel the growth of the market. Growth in demand from emerging economies such as China and India and increase in use of recycled aluminium products globally provides robust opportunities for market expansion.

After COVID-induced lockdowns across the world witnessed during the previous years (2020 and 2021), which led to sharp decline in demand and prices of aluminium, FY 2021-22 symbolises global recovery of the aluminium industry. With administration of COVID vaccines and reduction in infection rates, aluminium consuming industries resumed operations to pre-COVID levels. This boosted demand and expanded consumption. Aluminium prices also touched multi-year highs during the year.

The domestic aluminium industry, which was severely hit by the pandemic during FY 2020-21, has shown signs of recovery during the current fiscal, just like in other countries globally. However, full recovery in the automobiles sector, which is one of the major aluminium consuming sectors, could not be achieved due to ensuing semiconductor/chip shortages, which forced automakers to operate well below their production capacity and has partially subdued opportunities presented by rejuvenated domestic demand.

Total domestic production of aluminium metal in the year 2017-18 to 2021-22 (till December, 2021) stood at 30,09,607 MT, as per the Ministry of Mines, Government of India.

Degree of self-sufficiency in aluminium

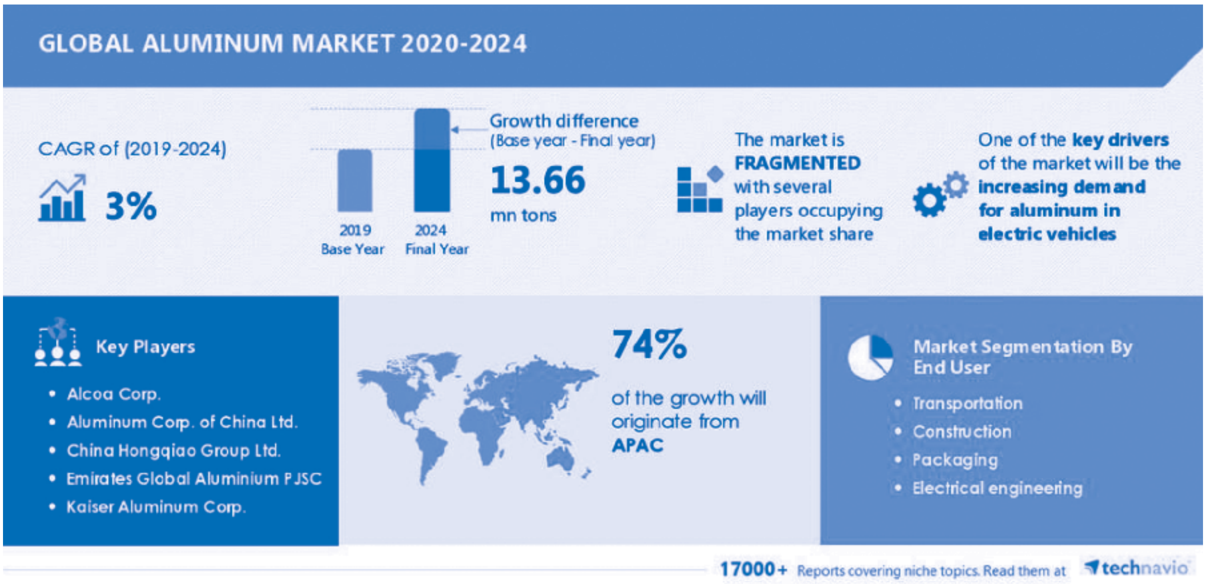
Commodity	Demand/domestic consumption ('000 tonnes)	Supply/domestic supply ('000 tonnes)	Order of self-sufficiency (%)
Aluminium (primary)	3,676	3,696	100

Source: MCDR Returns for production data

As per www.YCharts.com, aluminium prices rebounded from about US $ 2,319 per ton as on April 2021 to US $ 3,498 per ton in March 2022, fuelled by consumption demand, supply chain disruptions, growing geopolitical risks amid the Russia-Ukraine war and other factors. ICRA indicated that aluminium prices touched an all-time high of US $ 3,875 per ton in the first week of March 2022, indicating severe tightness in global supply.

Forward outlook

In a note on the global primary aluminium industry, ICRA has indicated that given a tight demand-supply balance and low inventory of aluminium worldwide, any sanction on Russian aluminium exports will aggravate metal availability in the rest of the world, keeping prices at a high level till normalcy is restored. Russia contributes almost 12% to global trade in aluminium, with exports primarily bound for Europe. Another major factor contributing to aluminium price rise is elevated power costs in many European countries.



The energy exchange rates have increased by almost 3-fold in Europe since September 2021, resulting in significant smelting cost pressures. At the current power tariff at energy exchanges, power costs to produce one ton of aluminium are even higher than the current LME spot aluminium prices. This further and more clearly reinforces the case for recycled aluminium.

Due to high energy costs, almost 0.7 MTPA of capacity comprising as much as 15% of installed capacity in Europe has already been shut since Q4 CY 2021. Since Russia is a major exporter of natural gas (41%) to Europe, any restriction in gas supply could further aggravate the energy crisis situation in Europe.

Given the elevated power costs, aluminium production in Europe will remain severely impacted, which is also reflected in month-on-month decline in production over the recent period. Furthermore, disruption in alumina supplies from Ukraine and aluminium capacity cuts effected by Chinese authorities in CY 2021 to the tune of 2 million MT are expected to keep aluminium supply constrained and therefore keep prices elevated in the near term, including in India.

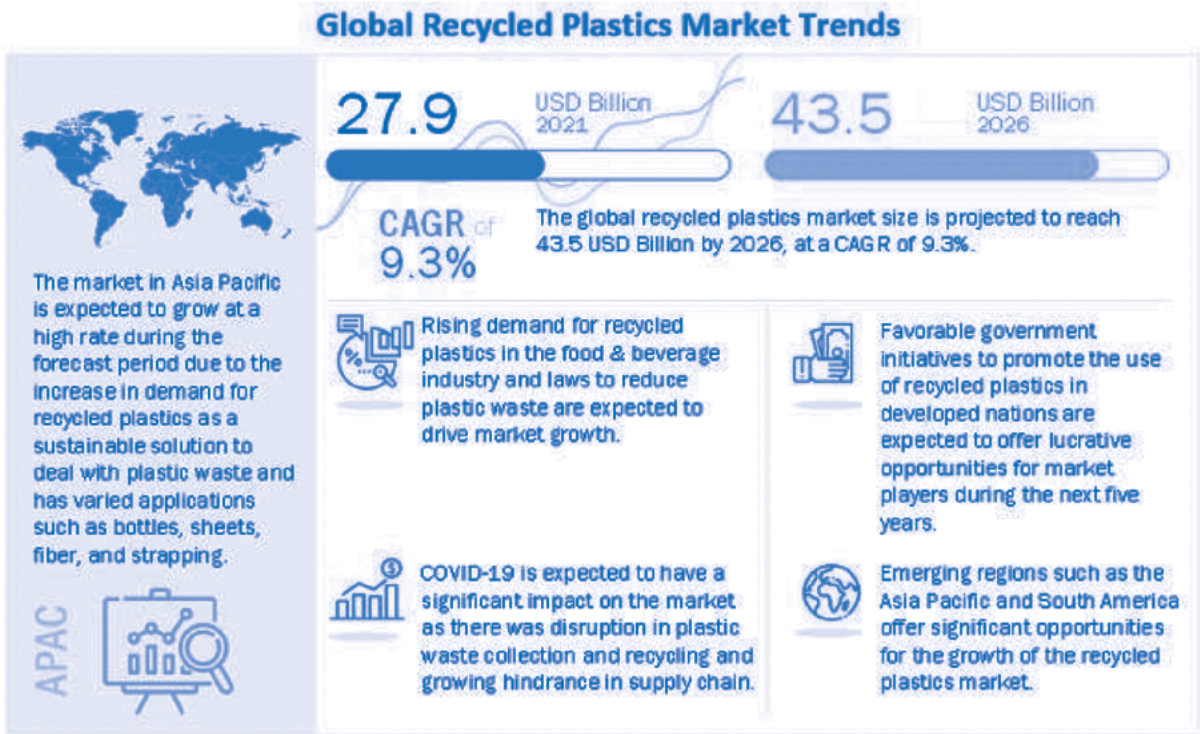
PLASTIC INDUSTRY OVERVIEW

Overview

As per a McKinsey report, if plastics demand follows its current trajectory, global plastic waste volumes would grow from 260 million tons per year in 2016 to 460 million tons per year by 2030, taking what is already a serious environmental problem to a whole new level.

As per an article by Fortune Business Insights (www.fortunebusinessinsights.com), the global recycled plastic market size was US$ 41.13 billion in 2020. Favourable initiatives to promote the use of recycled plastics in developed countries, growing acceptance of recycled plastics consumption in the textile industry as fibers in developing countries of the Asia Pacific, and cost-effective, sophisticated recycling technologies are some of the key factors driving the global recycled plastics market.

Recycled plastic is scrap or waste plastic materials that are processed and re-purposed into useful products. Since most of the polymer materials used globally are non-biodegradable, recycling of these materials is the solution to reduce the burden of polymers present in the environment. Furthermore, increasing restrictions on the usage of single use polymers and initiatives taken by governments in Europe, China, India and Brazil are expected to promote recycling on fast-track basis. For instance, the European Union has prohibited single use plastic polymer products since 2021. Moreover the shift of end use industries, specially packaging and consumer goods towards sustainable or recyclable materials will drive the market growth. Further, the innovation and development of products, including packaging bottles, films, containers and cutlery using post-consumer recycled (PCR) plastics will provide huge opportunities for the market in the future.



Recycled plastics dynamics and trends

Plastics are lightweight, durable and inexpensive materials that can be moulded into a diverse variety of products. As a result, production of plastics has increased manifold over the past few decades. However, their current usage has also led to the generation of a huge amount of waste, resulting in major environmental concerns. The landfill is the conventional method for waste disposal; however, landfill area has become scarce in many countries. Although this method has limited environmental impacts, there are long-term risks of contamination of soil and groundwater associated with it, thus polluting the natural environment.

Plastic recycling is the reprocessing of plastic waste into new and useful products. When performed correctly, this can reduce dependence on landfill, conserve resources and protect the environment from plastic pollution and greenhouse gas emissions.

The increasing use of lightweight plastic components and awareness of plastic's negative effects on the environment are also driving the plastic recycling market. Furthermore, consistent support from the government and increasing penetration of recycled plastic products is presenting lucrative opportunities for the global plastic recycling market.

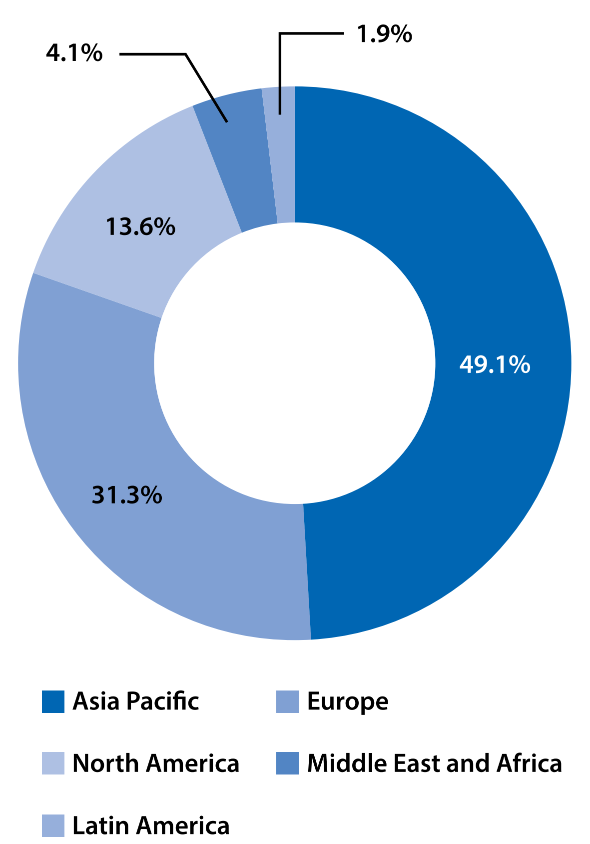
A major opportunity lies in increasing use of recycled plastics to other industries, for which an example is textiles. Textiles is one of the major end-use industries of recycled plastics, as recycled PET, which is the most widely recycled resin globally, finds the highest usage in fiber applications. In the past five years, there has been significant growth in major clothing companies, businesses and environmental organizations that have started using plastics in their fabrics in an effort to reduce plastic pollution. Clothes made of recycled plastics do not differ from normally made clothes in terms of quality and texture. Therefore, the products made from recycled plastic bottles indirectly help in contributing to a sustainable and circular economy.

In fact, bottles are the largest and fastest-growing source of recycled plastics. They are the most recycled post-consumer plastics as they have a better network for collection and sorting. Moreover, most bottles are made of PET resin, which is the most recycled resin with the highest recycling rate. Further, polypropylene (PP) is the second-most widely produced commodity plastic, and its market is forecasted to grow even more in the following years. It is hard and sturdy, can withstand high temperatures, and is found in car parts, thermal vests, yogurt containers and even disposable diapers. PP is a thin piece of plastic that allows a part of a product to fold or bend from 1 to 180 degrees.

China, the world's largest user of scrap plastics, announced that it would halt importing plastic waste from other countries way back in 2017. Apart from consuming locally produced recycled plastics, China was also the largest importer of recycled materials until 2016. In 2016, the country imported 51% of global plastic scrap. Therefore, the sudden proposed ban on its scrap imports became the biggest challenge in the industry, as China had been the major consumer of recycled materials and reprocessing and reconverting it into useful materials, which were used for many applications, such as pipes, carpets and bottles, etc.

Market size and outlook

In 2021, Asia Pacific represented the largest plastic recycling market, accounting for 49.1% of the total plastic recycling market. Asia Pacific was followed by Europe (31.3%), North America (13.6%), Middle East & Africa (4.1%), and Latin America (1.9%).



Within the Asia Pacific, in 2021, China represented the largest plastic recycling market, accounting for 27.2% of the total Asia Pacific plastic recycling market. China was followed by South Korea (18.2%), Japan (10.4%), India (6.8%), Indonesia (5.9%), Australia (5.1%) and others (26.4%).

Going forward, imarc expects the global plastic recycling market to grow at a CAGR of around 7.5% during 2022-27, reaching a volume of 111.5 million tons by 2027. Growth of the market is likely to be dictated by government regulations favouring the recycling of plastic waste. Rising awareness about the pollution caused by plastics and the energy-savings benefits in the manufacturing of recycled plastics over virgin plastics are some of the major factors driving the growth of the global market for plastic recycling over the forecast period (2022-27). Moreover, the shift of end use industries, especially packaging and consumer goods towards the sustainable or recyclable materials will drive the market significantly in the forecast period.

LEAD, ALUMINIUM AND PLASTIC RECYCLING MARKET

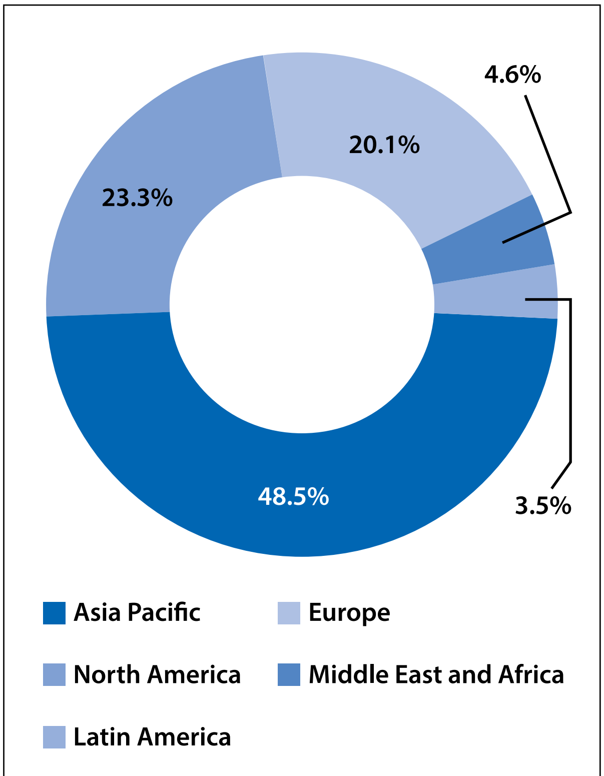
Overview

As per an IMARC report titled "Global Lead & Aluminium and Plastic Recycling Market", the global metal recycling market reached a volume of 684 million tons in 2021, registering a CAGR of 2.8% during the period 2016-21. Looking forward, the report expects the global metal recycling market to grow at a CAGR of around 5.3% during 2022-27, reaching a volume of 925 million tons by 2027.

Within the global metal recycling market, the global lead and aluminium recycling market reached a volume of 30.1 million tons in 2021, growing at a CAGR of 4.3% during 2016-21. Going forward, the global lead and aluminium recycling market is expected to grow at a CAGR of around 6.8% during 2022-27, thus reaching a volume of 44.4 million tons by 2027.

In 2021, Asia Pacific represented the largest lead and aluminium recycling market, accounting for 48.5% of the total market. Asia Pacific was followed by North America (23.3%), Europe (20.1%), the Middle East and Africa (4.6%) and Latin America (3.5%).

Global lead and aluminium recycling market breakup by region (in %), 2021

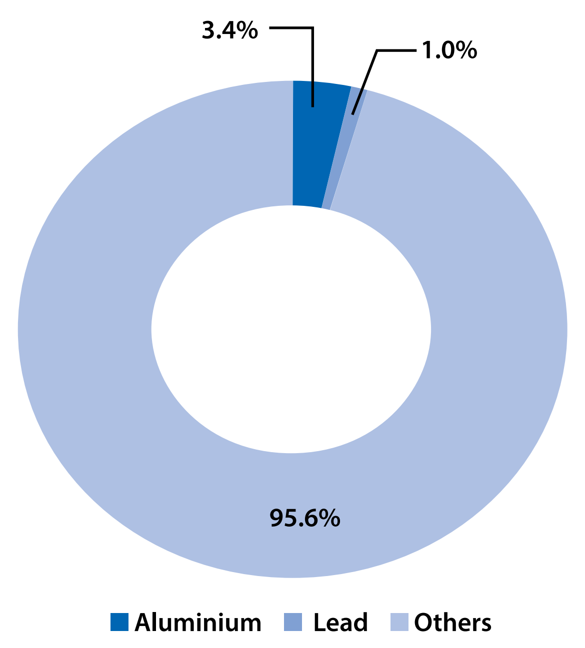


The Indian metal recycling market reached a volume of 39.4 million tons in 2021, growing at a CAGR of 4.9% during 2016-21. Moving ahead, imarc expects the Indian metal recycling market to grow at a CAGR of 8.3% during 2022-27, reaching a volume of 63.1 million tons by 2027.

In India, lead and aluminium recycling reached a volume of 2.3 million tons in 2021, expanding at a CAGR of 6.3% during 2016-21. This is projected to rise at a 9% CAGR during 2022-27, reaching a volume of 3.8 million tons by 2027. In 2021, North India represented the largest market for lead and aluminium recycling in India, accounting for 34.5% of the total market. North India was followed by West and Central India (29.9%), South India (28.2%) and East India (7.4%). In terms of user industries, in 2021, the automotive industry dominated recycled lead and aluminium consumption, accounting for 60.9% of the total market. The automotive sector was followed by construction (14.5%), industrial goods (9.1%), consumer goods (5.7%) and others (9.8%).

In 2021, aluminium recycling accounted for 3.4% of the total metal recycling market. Similarly, lead recycling accounted for 1% of the global metal recycling market in 2021. Moreover, the other category of metals accounted for a huge share in metal recycling market globally, which points to the immense prospects of the business.

Global lead and aluminium recycling market breakup by metal, 2021



Source: imarc

With regards to plastic recycling, as per imarc, the global plastic recycling market reached a volume of 72 million tons in 2021, growing at a CAGR of 4.9% during 2016-21. Going forward, the report expects global plastic recycling to grow at a CAGR of 7.5% during 2022-27, touching a volume of 111.5 million tons by 2027.

imarc has indicated that the Asia Pacific is the largest market for recycled plastics at 35.3 million tons in 2021, occupying a share of 49.1%. This region is followed by Europe at 22.5 million tons (31.3%), North America at 9.8 million tons (13.6%), the Middle East and Africa at 3 million tons (4.1%) and Latin America at 1.4 million tons (1.9%).

In India, the plastic recycling market reached a volume of 24,07,784 tons in 2021, expanding at a CAGR of 7% during 2016-21. Going ahead, it is expected that the domestic plastic recycling market will grow at a CAGR of 8.6% during 2022-27, reaching a volume of 40,31,673 tons by 2027. Geography-wise, in 2021, South India represented the largest market for plastic recycling, accounting for a share of 41.3% of the total market. South India was followed by West and Central India (34.3%), North India (16.8%) and East India (7.6%).

Market dynamics and product relevance

Social benefits: India's mineral rich areas are under dense forests and inhabited by indigenous tribes and communities. Most of the impacts of material extraction use and disposal occur domestically and negatively on a sizeable population. Extraction pressures have contributed to conflict due to displacement, loss of livelihood, etc., festering hostility. Recycling would thus place fewer burdens on the need of extraction, thereby offsetting some of the risks arising out of social conflicts.

Environmental benefits: Mineral rich areas overlap with heavily forested areas in the country. Extraction activities often result in ecological degradation. Reduced pressures from mining will help to lower this ecological degradation. Reduced waste generation will not only reduce pollution associated with disposal but also save related costs. Also, resource extraction and use is highly energy-intensive leading to significant GHG emissions. Metal scrap recycling leads to natural resource conservation and tremendous energy savings.

Economic benefits: In manufacturing sector alone, Indian companies could achieve savings by implementing resource efficiency measures, thereby improving competitiveness and profitability. Recycling based innovations can also give industries an edge in the export market. New industries can be created in the recycling sector with focus on innovative design and manufacturing from recycled material, which positively impacts economic growth.

Employment generation potential: Recycling and adoption of related innovative methods may altogether give rise to setting up of new industries that can contribute to employment generation. Innovation in recycling process and manufacturing has the potential to create skilled jobs benefitting domestic industries and developing potential for the export market. This may further prompt global companies to locate efficient design and/or manufacturing units in India, leading to increased skilled/unskilled labour demand.

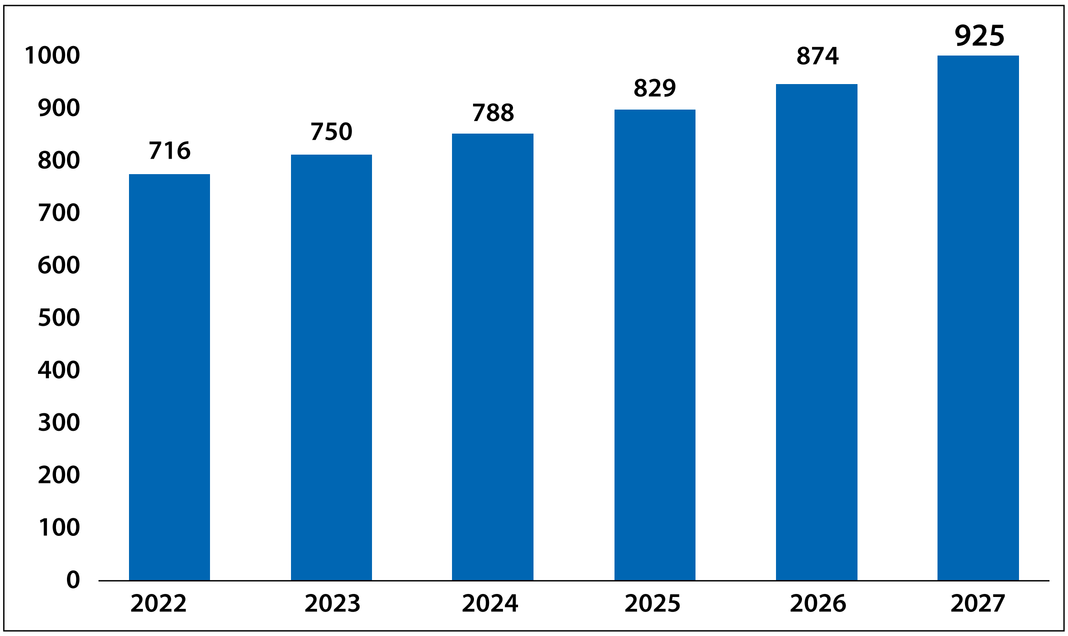
In conclusion, the major factor driving demand for lead and aluminium recycling include growing demand of metals in various industries such as manufacturing, agriculture, etc. Also, the growing usage of aluminium and lead in consumer electronics, household and industrial appliances, as well as in automobiles sector is significantly fuelling market growth. Metal recycling does not emit harmful gases and assists in reducing production costs. Apart from this, escalating demand for metals on account of changing lifestyles and rising disposable incomes is contributing to market growth of metal recycling. Furthermore, due to rising environmental concerns, Government of India is taking various initiatives for recycling of metals. The Ministry of Environment, Forest and Climate Change is also in the process of formulating National Resource Efficiency Policy (NREP), which aims to mainstream resource efficiency across all sectors, wherein the aluminium sector has been considered as a priority sector.

Despite the presence of a number of driving forces, the Indian lead and aluminium recycling market faces some challenges as well. Heavy dependence on import of metal scrap is one of the key challenges faced by the lead and aluminium recycling industry in India. Furthermore, lack of systematic scrap recovery mechanism and unorganized nature of the sector poses challenge to the Indian lead and aluminium recycling industry.

Forward outlook

Going forward, imarc expects the global metal recycling market to grow at a CAGR of around 5.3% during 2022-27, reaching a volume of 925 million tons by 2027. Rise in awareness about effective use of natural resources and inclination towards recycling of metals for energy savings are major factors fuelling growth over the forecast period. Furthermore, rise in environmental concerns, surge in investments, rise in awareness programs for sustainable waste management practices boost the metal recycling market.

Global metal recycling market forecast volume (in million tons), 2022-2027



Source: imarc

Widespread applications of lead and aluminium in industries such as energy, transportation, data centers, electronics, construction and healthcare will boost the industry's growth over the forecast time period. Expanding need for aluminium and exhausting resources across many regions will prove to be a prominent growth generator for the recycled aluminium market. In addition, use of lead-acid batteries, majorly in automobiles, having lower cost and longer shelf life, are likely to fuel the growth of the recycled lead market. Furthermore, increasing awareness about sustainability among the government of numerous countries will help in accelerating the growth cycle of the recycled lead and aluminium market.

In 2021, automotive sector accounted for 60.9% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 13,85,116 tons in 2021, exhibiting a CAGR of 6.2% during 2016-21.

At the end of a vehicle's life, nearly 90% of the aluminium, on an average, is recycled, which drive the growth of the segment. Further, the use of lead-acid batteries, majorly in automobiles having lower cost and longer shelf life are likely to fuel growth of the recycled lead market.

Looking forward, the market in this segment is expected to reach a volume of 23,01,348 tons by 2027, representing a CAGR of 8.9% during 2022-27.

India is likely to witness a substantial growth in demand for lead batteries, given that several sectors, including automotive, are set to expand in the years ahead, which is expected to drive the segment growth over the forecast period.

In 2021, construction accounted for a share of 14.5% of the lead and aluminium recycling market in India. The market in this segment reached a volume of 3,29,789 tons in 2021, exhibiting a CAGR of 6.5% during 2016-21.

Owing to its recyclable properties, aluminium and lead are widely used in sustainable building projects. Other properties of aluminium like malleability, ductility and strength are making developers replace other materials with it. Components like thermal break aluminium windows and non-reflective curtain walls with heavy aluminium increase energy efficiency of a building manifold. Aluminium is widely considered as the primary material for green and sustainable structures. Moreover, key government reforms like Make in India focus on urbanization, including initiatives like Smart City, place strong emphasis on expansion of the manufacturing sector. Growth of the construction sector will be proportional to the growth of the lead and aluminium recycling industry.

Going forward, imarc expects the global lead and aluminium recycling market to grow at a CAGR of around 6.8% during 2022-27, reaching a volume of 44.4 million tons by 2027.

Brief financial review

Consolidated Financial Summary:

Sales: The Company achieved a respectable 57% growth in sales to ₹ 2,216 crore in 2021-22, from ₹ 1,410 crore in 2020-21. Out of the total sales mix, India operations contributed 36 per cent to the total revenue, against 33 per cent in 2020-21, while overseas operations contributed to the rest of the 64 per cent during the year.

EBIDTA: Gravita achieved an EBIDTA of ₹ 215 crore in 2021-22, vs. ₹ 117 crore in the previous fiscal year. Resultantly, EBIDTA margins also scaled up from 8.3 per cent in 2020-21 to 9.70 per cent in 2021-22.

Net profit: The Company reported a net profit of ₹ 139 crore in 2021-22, as against ₹ 52 crore in the previous financial year, thus representing a solid 167 per cent growth. Resultantly, the Company's net profit margins also rose from 3.72 per cent in 2020-21 to 6.29 per cent in 2021-22.

Earnings per share: Gravita's earnings per share or EPS expanded sharply by 166 per cent in 2021-22, to ₹ 20.60 from ₹ 7.72 in 2020-21.

Standalone Financial Summary :

Sales: The Company achieved a respectable 54% growth in sales to ₹ 1,894 crore in 2021-22, from ₹ 1,226 crore in 2020-21.

EBIDTA: Gravita achieved an EBIDTA of ₹ 83 crore in 2021-22, vs. ₹ 70 crore in the previous fiscal year. Resultantly, EBIDTA margins stood at 4.38% in 2021-22.

Net profit: The Company reported a net profit of ₹ 40 crore in 2021-22, as against ₹ 32 crore in the previous financial year, thus representing a 24 per cent growth. Resultantly, the Company's net profit margins stood at 2.10% in 2021-22.

Earnings per share: Gravita's earnings per share or EPS expanded sharply by 24 per cent in 2021-22, to ₹ 5.76 from ₹ 4.66 in 2020-21.

Key financial ratios on standalone basis :-

Sl. no.	Particulars	2021-22	2020-21	% Change	Details of significant changes, if any
1.	Debtors' turnover ratio	22.68	19.74	15%	
2.	Inventory turnover ratio	6.13	5.93	3%	
3.	Interest coverage ratio	1.71	2.03	(16%)	
4.	Current ratio	1.33	1.26	6%	
5.	Debt-equity ratio	1.53	1.09	40%	Term debt for capital expenditure and long term working capital loans were increased.
6.	Operating profit margin	4.13%	4.96%	(16%)	
7.	Net profit margin	2.10%	2.62%	(19%)	
8.	Return on net worth	19.94%	18.39%	8%	

SWOT Analysis

Strength	Weakness
• Procurement Network • Market spread – Global OEM acceptance • Multi locational presence • Overseas experience • People Management • Experience of Value added products • Proximity to European & Middle East markets • In house technology • SAP integrated system in the entire group	• Low diversification - Major revenue from Lead division, • Dependence on scrap imports in India • Unorganized flow of waste metals • Less scrap collection zones • Low process Automation • Unskilled workforce
Opportunities	**Threats**
• Growing economies • Diversification in other recycling segments • Sustainable Environment approach • Revised waste management rules • Faster rate of obsolescence • Growing metal demand • Increasing consumer awareness	• Unorganized nature of the sector • New technology for recycling • Import restriction on scraps

Human resources and industrial relations

At Gravita, our employees are key to our success as they drive and ensure continued business growth and excellence. Towards this extent, talent development is a central priority to our HR roadmap. Encouraging up-skilling is a way for us to accelerate the transformation of our business and improve our performance. For employees, it is a factor in their engagement, their desire for upward mobility, career progression and improved employability. We offer our employees competitive salary and attractive benefits, while also providing career opportunities and work-life balance. As on 31st March, 2022, the Company had a total workforce of 1900 employees on consolidated basis and 390 employees and 1117 workers on standalone basis..

Internal controls

In order to ensure orderly and efficient conduct of business, the Company's management has put in place necessary and sufficient internal control systems commensurate with its business requirements, scale of operations, geographical spread and applicable regulations. The Company has an in-house Internal Audit department manned by qualified professionals and an external firm acting as independent internal auditors that reviews internal controls and operating systems and procedures on a regular basis. The Company's internal control systems include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit and review framework, etc. Importantly, the Company has designed the necessary internal financial controls and systems with regard to adherence to the organisational policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Board Report

To
The Members of
Gravita India Limited

We are delighted to present on behalf of Board of Directors of the Company, the 30th Annual Report of the Company along with Audited Financial Statements (Consolidated & Standalone) for the year ended 31st March 2022.

CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Amount (₹ in Crores)	
	2021-22	2020-21
Total Revenue	2,215.87	1,409.75
Operational Expenditure	2,004.96	1,297.84
Profit Before Interest, Depreciation and Tax (EBIDTA)	**210.91**	**111.91**
Add: Other Income	7.84	7.17
Less: Interest expenses	33.55	27.87
Less: Depreciation and amortization expense	20.56	20.30
Less: Exceptional items	-	-
Profit Before Tax and share of (loss) in associate	**164.64**	**70.91**
Profit from Ordinary Activities Before Tax	164.64	70.91
Less: Provisions for Taxation Including Deferred Tax	16.19	14.08
Add: Share in Profit/(Loss) of Associate	-	(0.01)
Profit After Tax Before Non-Controlling Interest	**148.45**	**56.82**
Add: Other Comprehensive Income	(1.72)	1.49
Less: Non-Controlling Interest	4.98	3.83
Profit Available for Appropriation	**141.75**	**54.48**
APPROPRIATION:		
Interim Dividend 2020-21	-	7.44
Interim Dividend 2021-22*	23.84	-
Balance Carried to Balance Sheet	**117.91**	**47.04**

*** It does not include the amount paid to Gravita employee welfare trust by Holding Company.**

1. State of Company's Affairs

After witnessing significant contraction on account of the onset of the COVID-19 pandemic in 2020, global economy recovered in the year 2021. However, the momentum lost pace in Q2 CY2022 by a deadlier variant of the coronavirus, the impact of which was relatively short lived, helped primarily by vaccination drives across the world. Towards the end of Q4 FY2022, escalated geo-political tension arising from the prolonged Russia-Ukraine conflict led to increased financial volatility and supply chain disruptions. Oil and other major commodity prices surged sharply, thereby worsening the already high inflation dynamics of both advanced as well as developing economies. Record inflation led the US Fed to accelerate monetary policy normalisation. This in turn led to capital outflows from the emerging markets as risk-off took centre-stage. Global growth is thus expected to moderate to 3.2% in 2022. Against this backdrop, the Indian economy grew credibly by 8.7% in FY2022, recording one of the highest GDP growth rates in the world. On the external front, the country's merchandise exports' performance remained buoyant, expanding by 14.53% and crossing the US$ 400 billion-mark in FY2022. Furthermore, imports growth remained robust too at 55% during the year. Meanwhile, the central bank, RBI increased the repo rate by 90 bps since May 2022, including an off-cycle rate hike, to rein in inflation while supporting growth. However, hardening of global crude and commodity prices amidst prolonged geo-political tensions, along with supply chain issues arising out of prolonged lockdown in China could keep inflationary pressures on the higher end. Going forward, India is expected to grow at 7.2% in FY2023, marred by some extent by the Russia-Ukraine conflict, yet growing credibly as compared to rest of the world.

We have been consistently increasing our production capabilities to make Gravita self-sufficient. The company started commercial production of Mundra plant and also ventured in the recycling of rubber part from this company has also enhanced production capacities at its various manufacturing locations. During the year under review, Gravita recorded a sound financial performance during the year under review and the highlights of the performance are as under:

Consolidated Financial Summary:

- **Consolidated Total Revenue** stood at ₹ 2,216 Crores. as compared to ₹1,410 Crores in the previous year.
- **Operating Profit before Interest, Depreciation and Tax** stood at ₹ 215 Crores in financial year 2021-22 as compared to ₹ 117 Crores in previous year.
- **Net Profit after T ax and Minority Interest (excluding other comprehensive income)** during the year stood at ₹ 139 Crores.
- **Earnings Per Share** of the Company stood at ₹ 20.60 per share having face value of ₹ 2 each.

Standalone Financial Summary:

- **Total Revenue** stood at ₹ 1,894 Crores as compared to ₹1,227 Crores in the previous year.
- **Operating Profit before Interest, Depreciation and Tax** stood at ₹ 83 Crore in financial year 2021-22 as compared to ₹ 70 Crores in previous year.
- **Net Profit after Tax** during the year is reported at ₹ 40 Crores.
- **Earnings Per Share** of the Company stood at ₹ 5.76 share having face value of ₹ 2 each.

2. Dividend & Reserve

The Board of Directors of Company has recommended and declared Interim dividend @ 150 % (₹ 3 per equity share) amounting to ₹ 20.71 Cr. The dividend has been paid to the members whose name appears in the Register of Members as at the closure of business hours of Wednesday, i.e. 09th February, 2022, being the record date fixed for this purpose and further in respect of shares held in dematerialized form, it has been paid to the 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.

The Board of Directors of the Company in line with provisions of Regulation 43A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) had approved Dividend Distribution Policy. The policy is uploaded on Company's website and can be accessed at the link : **http://gravitaindia.com/wpcontent/uploads/pdf/FY21/Dividdend%20Distribution.pdf**

3. Performance of Subsidiaries/ Associate 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 4,594 MT of Re-Melted Lead. This subsidiary achieved turnover of ₹ 74.87 Cr and reported net profit of ₹1.39 Cr 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 4,868 MT of Re-Melted Lead Ingots and achieved a turnover of ₹ 85.24 Cr coupled with net profit of ₹ 16.15 Cr.

c. **Navam Lanka Ltd, Sri Lanka:** 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 4,054 MT of Refined Lead Ingots and Re-Melted Lead Ingots and achieved a Total turnover of ₹ 68.35 Cr coupled with net profit after tax of ₹18.87 Cr.

d. **Gravita Tanzania Limited, Tanzania:** Gravita Tanzania Limited is a step-down subsidiary of the Company. This subsidiary is engaged in manufacturing of Re-Melted Lead and Aluminium. During the year under review subsidiary produced 6,055 MT of Lead and 3,711 MT of Aluminium and achieved turnover of ₹ 177.76 Cr coupled with net profit of ₹ 24.33 Cr.

e. **Recyclers Ghana Limited, Ghana:** Recyclers Ghana Limited is a step-down subsidiary of the Company. This subsidiary is engaged in manufacturing of Refined Lead and Lead Alloys. During the year under review subsidiary produced 13,456 MT of Lead and achieved turnover of ₹ 279.25 Cr coupled with net profit ₹ 33.35 Cr.

f. **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 produced 928 MT of Aluminium and achieved turnover of ₹ 37.04 Cr coupled with net profit of ₹ 6.31 Cr.

g. **Gravita Netherlands B.V., Netherlands:** Gravita Netherlands B.V. is a step-down subsidiary of Gravita India Limited. This subsidiary is engaged in trading business. During the year under review this subsidiary achieved turnover of ₹ 275.38 Cr coupled with profit of ₹ 12.71 Cr.

h. **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 incurred a net profit of ₹ 0.45 Cr.

i. **Gravita Nicaragua S.A., Nicaragua:** Gravita Nicaragua S.A. is a step-down subsidiary of the Company. This subsidiary is engaged in recycling of plastic waste and Trading of Battery Scrap. During the year under review subsidiary produced 7,059 Tn of Plastic and achieved turnover of ₹ 73.65 Cr coupled with net profit of ₹ 8.18 Cr.

j. **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. T his fi rm is engaged in Manufacturing of Lead Ingots and all kind of Specific Lead Alloys. During the year under review this subsidiary produced 5,198 MT of Lead and has achieved a turnover of ₹ 93.47 Cr and incurred a net loss of ₹ 4.28 Cr.

k. **Gravita USA Inc, USA.:** Gravita USA Inc. is a step-down subsidiary of the Company. This subsidiary is engaged in trading of Lead and Plastic . During the year under review this subsidiary achieved turnover of ₹ 29.99 Cr coupled with net profit of ₹ 0.7 Cr.

l. **Gravita Jamaica Limited, Jamaica:** Gravita Jamaica Limited is a step-down subsidiary of the Company. This subsidiary is engaged in recycling of plastic waste. During the year under review subsidiary achieved turnover of ₹ 2.13 Cr and incurred a net loss of ₹. 1.50 Cr.

m. **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 this subsidiary has been able to achieve a turnover of ₹ 0.20 Cr and incurred net profit of ₹ 0.39 Cr.

n. **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 reported a net loss of ₹ 0.33 Cr.

o. **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 ₹ 0.01 Cr.

p. **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 incurred net loss of ₹. 0.19 Lacs.

q. **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 incurred net profit of ₹ 0.93 Cr.

r. **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 plastic waste. During the year under review subsidiary achieved turnover of ₹ 1.71 Cr coupled with net loss of ₹ 0.29 Cr.

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 has no profits or losses .

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

➢ Gravita Mali SA, Mali

➢ Gravita Togo SA

u. **During the year under review, the following subsidiaries/ firms have been closed/ disinvested:**

➢ Gravita Dominican S.A.S., Dominican Republic

➢ Gravita Peru SAC

Further as on 31st March 2022 company has not made any investment in Joint Venture.

4. Disclosures under Companies Act, 2013

a) **Extract of Annual Return:** The return referred in Section 92 (3) of the Act read with Companies (Management and Administration) Rules, 2014, is available on the website of the Company at **https://www.gravitaindia.com/investors/annual-return**

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
- Gravita Tanzania Limited
- Recyclers Ghana Limited

c) **Number of Board Meetings:** During the year under review, the Board of Directors of the company met 7 (Seven) times on following dates: 19th May 2021, 30th July 2021, 23rd September 2021, 01st November 2021, 10th January 2022, 29th January 2022, 28th March 2022. Further the detail of the attendance of each of the Directors has been provided in Corporate Governance Report which forms integral part of this report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

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 had been followed along with proper explanations relating to material departures;

ii) They had 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 on 31st March, 2022 and of the profit and loss of the company for that period;

iii) They had 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 had prepared the Annual Accounts on a Going Concern basis;

v) They had 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) Proper system had been devised by directors, 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 of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013, and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also a declaration under Rule 6 of the companies (appointment and qualification of directors) Rules, 2014, amended as on date has been received from all the independent directors.

Further, in the opinion of the Board, Independent Directors of the company are persons of high integrity, expertise and experience and thus qualify to be appointed/continue as Independent Directors of the Company. Further, as required under section 150(1) of the Companies Act, 2013 they have registered themselves as Independent Directors in the independent director data bank.

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 with an objective of independent judgment and without any external Influence and that they are independent in the management. The Independent Directors have also confirmed that they have complied with the Company's code of conduct as 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, to provide a formal mechanism for the Directors and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. The policy provides adequate safeguards against victimization of employees and Directors, and provide direct access to the higher levels of supervisors and/or to the Chairman of the Audit Committee in appropriate or exceptional cases. 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. The company's whistle blower policy is available on following web link: **https://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf**

h) **Familiarization Programme for Independent Directors:** The Company has Familiarization Program for Independent Directors to familiarize them with regard to their roles, rights, duties and 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 a 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 familiarization programmes conducted is available on the website of the company and can be accessed from the following web link: **http://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 salient features of the said policy can be accessed through Company's website from the following **web link:http://www.gravitaindia.com/wp-content/uploads/pdf/nomination-remuneration-policy.pdf**

j) **Annual Performance 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 had carried out an annual performance evaluation of non-independent Directors, the Board as a Whole and Chairperson of the Company taking into account the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee of the Board of Directors 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 each director in the affairs of the company, duties performed by each Director and targets achieved by company during the year.

The Board/committee/directors found that the evaluation is satisfactory and no observations were raised from the said evaluation in current year as well as in previous year.

k) **Internal Financial Controls:** In order to ensure orderly and efficient conduct of business, Company's management has put in place necessary internal control systems commensurate with its business requirements, scale of operations, geographical spread and applicable statutes. The Company has an in-house Internal Audit department manned by qualified professionals and an external firm acting as independent internal auditors that reviews internal controls and operating systems and procedures on a regular basis. Company's internal control systems include policies and procedures, IT systems, delegation of authority, segregation of duties, internal audit and review framework etc. Company has designed the necessary internal financial controls and systems with regard to adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

l) **Related Party Transactions:** All related party transactions that were entered by the company during the financial year were on an arm's length basis and 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 and the details pursuant to clause (h) of Section 134(3) of Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure 1**. 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. Your directors draw attention of the shareholders to the financial statements which set out related party disclosures. The policy on Related Party Transactions as approved by the Board is available on the Company's website at **https://www.gravitaindia.com/wp-content/uploads/pdf/rpt-policy.pdf**

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 Committee comprises of 3 directors viz Mr. Dinesh Kumar Govil (DIN: 02402409) (Chairman), Mr. Rajat Agrawal (DIN: 00855284) (Member), Mr. Yogesh Malhotra (DIN: 05332393) (Member). 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**. For a detailed Corporate Social Responsibility policy please refer the website link **http://www.gravitaindia.com/wp-content/uploads/pdf/csr-policy.pdf**

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

M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No 001076N) were appointed as the Statutory auditors of the company at the 27th Annual General Meeting of the Company held on 20th September, 2019, for a period of five years from the conclusion of the 27th AGM till the conclusion of the 32nd AGM.

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 need 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 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 2022-23 along with a certificate confirming their independence and arm's length relationship.

The Board of Directors of the Company, on the recommendations given by the Audit Committee, has reappointed 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 2022-23, subject to ratification of remuneration by the members in the ensuing AGM.

The Cost Audit Report for the F.Y. 2020-21 was filed with Registrar of Companies (Central Government) on 24th September, 2021. 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 under Section 186 of the Companies Act, 2013

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	Noble Build Estate Private Limited	Loan	Loan of ₹ 3.25 Crores at an interest rate of 10.00% per annum	For Business Purpose.

Apart from above company has not made any investment and has not provided any guarantee or security pursuant to Section 186 of Companies Act, 2013 during F.Y. 2021-22.

9. Secretarial Auditor and Secretarial Audit Report

FCS Akshit Kr. Jangid, Partner of M/s Pinchaa & Co., Practising Company Secretaries, Jaipur has been appointed as "Secretarial Auditors" of the Company to conduct Secretarial Audit and to prepare "Secretarial Audit Report" of the Company for the Financial Year 2021-22" The Secretarial Audit Report for the financial year ended 31st March, 2022 is set out in the **Annexure-3** to this report. The report does not contain any qualification, reservation or adverse remark.

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. The conservation of energy, technology absorption, foreign exchange earnings and outgo

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

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided at **Annexure-5**.

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 and other particulars of the top ten employees and employees drawing remuneration in excess of the limits as provided in the said rules are set out in the Board's Report as an addendum 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 available for inspection at the Registered Office of the Company during such working hours as are provided under the Articles of Association of the Company 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

There was no appointment/Resignation of KMP's/ Director during the F.Y.2021-22. However, In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Rajat Agrawal (DIN: 00855284) is liable to retire by rotation and is eligible for re-appointment in the ensuing AGM.

14. Consolidated Financial Statements and Cash Flow Statement

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), 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 2021-22, 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 in **Annexure-6**.

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/**. Further the copies of the financial statements of the company and its subsidiaries are available for inspection during working hours for a period of 21 days before the date of meeting.

16. Business Responsibility and Sustainable Report (BRSR):

The Company is also providing Business Responsibility and Sustainable Report as stipulated under the Listing Regulations, the Business Responsibility and Sustainable Report (BRSR) describes about the initiatives taken by the Company from an environmental, social and governance perspective and it is put up on the Company's website and can be accessed at **https://gravitaindia.com/wp-content/uploads/pdf/BRpolicy.pdf**. The BRR Report is attached as **Annexure-7**.

17. 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. A certificate from the Secretarial 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, 2022 are available on website of the company **https://www.gravitaindia.com/investors/esop-disclosure/**.

18. 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.

19. 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. Additionally, company has never accepted deposits from public, shareholders or employees mentioned under section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 therefore no amount is unclaimed or outstanding for payment as on 31st March, 2022.

20. Statement on compliances of applicable Secretarial Standards

In requirement of Para 9 of revised Secretarial Standards on Board Meeting i.e. SS-1 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.

21. Share Capital

During the year the Authorized Share Capital of the Company is increased from existing ₹15,00,00,000 to ₹ 17,00,00,000 and the Paid-up Share Capital of company is 6,90,37,914 equity shares of Rs 2/- each as at 31st March, 2022.

22. 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 2021-2022.

23. Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'),

- dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred along with interest accrued, if any, to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government.. Accordingly, the company has transferred a sum of Rs 27,284 during the year (unclaimed for a period of seven years) to the said Fund on account of unpaid dividend account.
- the Company is required to transfer shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred 101 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 the website of the company **https://www.gravitaindia.com/investors/iepf-details**.

24. Remuneration from Subsidiary:

Neither the Managing Director nor the Whole-time Director received any remuneration from any Subsidiary.

25. 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 and 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 in respect of particulars of fraud reported by the auditors.
- Details related to change in nature of business of the company.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

26. 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 of Directors

	(Rajat Agrawal)	**(Yogesh Malhotra)**
	Managing Director	**Whole-time Director & CEO**
	DIN: 00855284	**DIN: 05332393**
Date: 2nd August, 2022	**C-137, Dayanand Marg**	**802, Roop Garden Apartments**
Place: Jaipur	**Tilak Nagar Jaipur-302004**	**Tilak Nagar Jaipur-302004**

Annexure 1

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NA

For and on behalf of the Board of Directors

(Rajat Agrawal)
Managing Director
DIN: 00855284
C-137, Dayanand Marg
Tilak Nagar Jaipur-302004

(Yogesh Malhotra)
Whole-time Director & CEO
DIN: 05332393
802, Roop Garden Apartments
Tilak Nagar Jaipur-302004

Date: 2nd August, 2022
Place: Jaipur

Annexure-2

CSR ANNUAL REPORT

1. **A brief outline of the Company's CSR policy:** 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. **Composition of CSR Committee:**

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dinesh Kumar Govil (DIN:02402409)	Chairman	2	1
2	Mr. Rajat Agrawal (DIN:00855284)	Member	2	2
3	Dr. Mahavir Prasad Agarwal* (DIN:00188179)	Member	2	1
4	Mr. Yogesh Malhotra # (DIN:05332393)	Member	2	1

*Removed from member of committee on 30th July 2021

Appointed with effect from 30th July 2021

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

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 weblink for the same is http://www.gravitaindia.com/wp-content/uploads/pdf/csr-policy.pdf

Weblink for Composition of CSR Committee:

http://www.gravitaindia.com/wp-content/uploads/pdf/committees.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Average CSR obligation of the company is less than ten crore rupees in pursuance of sub-section (5) of section 135 of the Companies Act, 2013 in the three immediately preceding financial years. Hence no impact assessment was required to be undertaken.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2021-22	₹ 2.58 Lacs	₹ 2.58 Lacs
Not Applicable			

6. Average net profit of the company as per section 135(5):Rs 3,313.27 Lacs

6. a	Two percent of average net profit of the company as per section 135 (5)	₹ 66.27 Lacs
6.b	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
6.c	Amount required to be set off for the financial year, if any	₹ 2.58 Lacs
6.d	Total CSR obligation for the financial year (6a+6b-6c)	₹ . 63.69 Lacs

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.): Nil				
	Total Amount transferred to Unspent CSR Account as per Section135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 73.39 Lacs	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/no)	Location of the project		Project duration (in years)	Amount allocated for the project (Rs in Lacs)	Amount spent in the current financial Year (Rs in Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (RS in lacs)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	Sanitation and Educational Support to schools and Colleges	Promoting education under Schedule VII (ii)	Yes	Rajasthan	Jaipur	₹ 3.20 Lacs	Yes	NA	NA
			Yes	Rajasthan	Jaipur	₹ 2.00 Lacs	No	Friends of Tribal Society	CSR00001898
		Promoting education under Schedule VII (ii)	No	Uttar Pradesh	Mathura	₹ . 45.00 Lacs	No	Jan Jagrati Sevarth Sansthan, Uttar Pradesh	CSR00006903
2	Health covering General Medical camp, eradicating hunger , poverty and other medical facilities.	Promoting Health Care, eradicating hunger, poverty and malnutrition and making available safe drinking water under Schedule VII (i)	Yes	Rajasthan	Jaipur	₹ 4.69 Lacs	Yes	NA	NA
				Andhra Pradesh	Chittoor	₹ 2.36 Lacs	Yes	NA	NA
				Gujarat	Mundra	₹ 0.05 Lacs	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
3	Environment	Ensuring Environmental Sustainability, ecological balance, protection of flora and fauna, animal welfare under Schedule VII (iv)	Yes	Rajasthan	Jaipur	₹ 5.00 Lacs	No	Rajasthan Human Care Foundation, Jaipur, Rajasthan	CSR00015568
			Yes	Rajasthan	Jaipur	₹ 0.09 Lacs	Yes	NA	NA
	Prakriti Vandan: to save the environment		Yes	Rajasthan	Jaipur	₹ 5.95 Lacs	No	Initiative for Moral and Cultural Training Foundation, Jaipur, Rajasthan	CSR00014719
4	Supplying food and help in COVID-19 Pandemic	disaster management, including relief, rehabilitation and reconstruction activities under Schedule VII (xii)	Yes	Rajasthan	Jaipur	₹ 0.42 Lacs	No	Initiative for Moral and Cultural Training Foundation, Jaipur, Rajasthan	CSR00014719
5	Activities Awakening the Patriotism among youth	Measures for the benefit of armed force veterans, war widows and their dependents, CAPF And CPMF veterans etc. under Schedule VII (vi)	Yes	Rajasthan	Jaipur	₹ 4.63 Lacs	No	Initiative for Moral and Cultural Training Foundation, Jaipur, Rajasthan	CSR00014719
	TOTAL					₹ 73.39 Lacs*			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): ₹ 73.39 Lacs

(g) Excess amount for set off, if any

S. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section135(5)	**₹ 66.27 Lacs***
(ii)	Total amount spent for the Financial Year	**₹ 73.39 Lacs**
(iii)	Excess amount spent for the financial year[(ii)-(i)]	**₹ 9.70 Lacs***
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**Nil**
(v)	Amount available for set off in succeeding financial years (iii)-(iv)]	**₹ 9.70 Lacs**

***Excess amount of ₹ 2.58 Lacs spent in the financial year 2020-21 was set off against the CSR requirement in the financial year 2021-2022. Accordingly the company was required to spend ₹ 63.69 Lacs in the FY 2021-2022 but it spent ₹ 73.39 Lacs, an excess amount of ₹ 9.70 lacs which is further available for set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.**

8. **(a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section135(6)(in Rs.)	Amount spent in the Reporting Financial Year(in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial Years (In Rs)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	N.A.	N.A.	NIL	N.A.	NIL	N.A.	Nil
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(l)	(2)	(s)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of The Project	Financial Year in Which the project was commenced	Project duration	Total Amount allocated for the project (in Rs.)	Amount Spent on the project in the reporting Financial Year (in Rs)	Cumulative Amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
N.A.								

9. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details):**

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

10. **Specify the reason(s), if the company has failed to spent two per cent of the average net profit as per section 135(5):** Not Applicable

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)
Managing Director
DIN: 00855284
C-137, Dayanand Marg
Tilak Nagar
Jaipur-302004

(Dinesh Kumar Govil)
Chairman-CSR Committee
DIN: 02402409
Flat No. 501, Royal Paradise Krishna,
A-39 vidayalya Marg,
Tilak Nagar Jaipur-302004

Date: 2nd August, 2022
Place: Jaipur

Annexure-3

Form No.: MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2022

{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, Tehsil-Phagi,
Jaipur-303904 (Rajasthan)

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, 2022 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, 2022 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 the reporting period under audit)**
   (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 the reporting period under audit) &**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the reporting period under audit)**

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.

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.

For **Pinchaa & Co.**
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M.No. FCS 11285
C. P. No.:16300
UDIN: F011285D000409540

Dated: 27.05.2022
Place: Jaipur

(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, Tehsil-Phagi, Jaipur,
Rajasthan-303904

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I 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. My 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 **Pinchaa & Co.**
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M.No. FCS 11285
C. P. No.:16300
UDIN: F011285D000409540

Dated: 27.05.2022
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.

- Recuperators introduced in Smelting and Refining sections for conservation of energy. These Recuperators will exchange heat from hot air to fresh air. This will avoid the temperature drop due to cold air feed inside smelting and refining furnaces, which will save fuel and process time.

  These changes will help the company in reducing electricity and fuel consumption.

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

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

c) Capital Investment on Energy conservation equipment: Nil

II. Technology Absorption:

a) **Efforts made towards Technology Absorption:** The Company has done research and experimentation to develop PP Washing Line which was earlier being procured from China for our various plants.

b) **Benefits derived towards improvement in technology of machines and equipment:** The above technology improvement will help the company in producing better quality PP chips with less manpower and manual efforts.

c) **Technology Imported:** Company has invested in importing Tyre Pyrolysis plant from China, for its various plants across the globe. This plant & machinery will produce tyre pyrolysis oil by recycling old tyres, which can be used as a substitute of diesel and heavy oil in our plants.

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

III. Foreign Exchanges Earnings & outgo

(₹ In Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenditure in Foreign Currency	1,13,746.39	87,304.37
Earnings in Foreign Currency	95,678.55	60,419.36

Annexure-5

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 financial year ended 31st March 2022 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 2021-22
1	Dr. Mahavir Prasad Agarwal (DIN:00188179)	Chairman & Whole time Director	64.56:1	Nil
2	Mr. Rajat Agrawal (DIN: 00855284)	Managing Director	64.53:1	***18.24%
3	Mr. Yogesh Malhotra (DIN:05332393)	Whole time Director & Chief Executive Officer	26.47:1	139.86%
4	Mr. Nitin Gupta	Company Secretary	6.23:1	57.09%
5	Mr. Sunil Kansal	Chief Financial Officer	31.35:1	50.07%

* Median remuneration of the Employees of the Company assumed to be ₹ 1.98 Lacs.

** The above increase in remuneration is calculated excluding PAT/Performance incentive during the year.

***Remuneration of Mr. Rajat Agrawal was reduced by 20% during F.Y. 2020-21 due to COVID Pandemic which was further increased w.e.f. 1st April 2022.

ii. Percentage increase in the median remuneration of employees in the financial year 2021-22 is 18%

iii. Number of Permanent Employees on the payroll as on 31st March 2022 of the Company are 1,507 (One thousand Five Hundred Seven Only).

iv. Average Percentile increase in the Salaries of the Employees other than Managerial Personnel is 11.41% 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.

For and on behalf of the Board of Directors

(Rajat Agrawal)
Managing Director
DIN: 00855284
C-137, Dayanand Marg
Tilak Nagar Jaipur-302004

(Yogesh Malhotra)
Whole-time Director & CEO
DIN: 05332393
802, Roop Garden Apartments
Tilak Nagar Jaipur-302004

Date: 2nd August, 2022
Place: Jaipur

Annexure-6

Form AOC-I

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

Statement containing salient features of the financial statements of Subsidiaries/ Associates Companies/ Joint Ventures

Part - A : Subsidiaries

(All amounts in ₹ Lacs, unless otherwise stated)

S. No.	Name of subsidiary(i)	Date of acquisition of control	Reporting period of the subsidiary(ii)	Reporting Currency	Ex rate as at 31st March 2022	Share Capital (iii)	Reserves and surplus(iv)	Total Assets (v)	Total Liablities	Invest-ments (vi), (vii)	Turnover (vi),(viii)	Profit/ (Loss) before taxation (vi)	Tax expense/ (credit) (vi)	Profit/ (Loss) after taxation (excluding OCI) (vi)	Extent of share-holding (in %)
1	Gravita Global Pte Limited	24th February, 2012	NA	USD	75.81	728.60	279.82	1,015.40	6.98	791.29	19.71	38.62	-	38.62	100%
2	Recyclers Ghana Limited	28th July, 2016	NA	GHS	10.66	488.91	3,474.09	13,445.52	9,482.52	-	27,924.56	3,334.93	-	3,334.93	100%
3	Gravita Senegal SAU	26th June, 2007	Dec 31, 2021	CFA	0.13	223.93	3,263.02	5,028.57	1,541.62	-	8,523.50	1,901.45	286.94	1,614.51	100%
4	Gravita Mozambique LDA	30th July, 2007	NA	MZN	1.19	260.67	3,705.35	6,219.12	2,253.10	-	7,487.34	158.71	19.97	138.75	100%
5	Gravita Ventures Limited	06th November, 2015	NA	USD	75.81	6.27	(3.07)	3.20	0.00	-	-	92.74	-	92.74	100%
6	Gravita Mali SA (ix)	23rd January, 2017	NA	XOF	0.13	13.07	(5.89)	7.52	0.34	-	-	242.87	-	242.87	100%
7	Gravita Nicaragua SA	14th February, 2013	NA	NIO	2.12	435.72	105.82	1,674.70	1,133.16	-	7,216.57	818.26	-	818.26	100%
8	Gravita Tanzania Limited	22nd November, 2017	NA	TZS	0.03	183.19	4,077.17	5,442.42	1,182.06	-	17,776.19	2,432.65	-	2,432.65	100%
9	Mozambique Recyclers LDA	28th August, 2017	NA	MZN	1.19	6.50	1,219.27	2,604.46	1,378.69	-	3,704.49	631.35	-	631.35	100%
10	Gravita USA Inc	04th November, 2015	NA	USD	75.81	166.60	299.71	1,876.31	1,410.00	-	2,999.27	100.91	30.61	70.30	100%
11	Gravita Jamaica Limited	04th September, 2014	NA	JMD	0.49	186.74	(1,215.93)	111.59	1,140.78	-	213.22	(149.65)	-	(149.65)	100%
12	Recyclers Gravita Costa Rica SA	16th September, 2016	NA	CRC	0.11	131.59	(332.30)	28.18	228.89	-	170.55	(28.85)	-	(28.85)	100%
13	Gravita Netherlands BV	08th May, 2012	NA	USD	75.81	14.63	5,902.73	14,623.49	8,706.13	3,272.98	25,508.75	1,270.55	-	1,270.55	100%
14	Gravita Dominican SAS	23rd February, 2018	(Till 6th September, 2021)	DOP	1.38	-	-	-	-	-	7.00	48.33	-	48.33	100%
15	Gravita Peru SAC (ix)	07th November, 2018	(Till 03 February, 2022)	SOL	20.40	0.06	0.12	0.15	(0.03)	-	-	15.24	-	15.24	100%
16	Gravita Ghana Limited	13th December, 2006	NA	GHS	10.66	123.66	(17.08)	150.13	43.54	-	-	52.49	7.87	44.61	100%

(All amounts in ₹ Lacs, unless otherwise stated)

S. No.	Name of subsidiary(i)	Date of acquisition of control	Reporting period of the subsidiary(ii)	Reporting Currency	Ex rate as at 31st March 2022	Share Capital (iii)	Reserves and surplus(iv)	Total Assets (v)	Total Liablities	Invest-ments (vi), (vii)	Turnover (vi),(viii)	Profit/ (Loss) before taxation (vi)	Tax expense/ (credit) (vi)	Profit/ (Loss) after taxation (excluding OCI) (vi)	Extent of share-holding (in %)
17	Navam Lanka Limited	24th February 2000 (Date of Incorporation) 09th May, 2012 (Date of acquisition of control)	NA	LKR	0.26	409.63	1,785.69	3,147.82	952.50	-	6,834.81	2,192.27	304.90	1,887.37	52%
18	Gravita TOGO SAU (ix)	(From 04 Aug, 2021)	NA	XOF	0.13	74.75	(0.87)	249.81	175.93	-	-	-	-	-	100%
19	M/s Recycling infotech LLP	02nd December, 2015	NA	INR	1.00	2.00	(1.60)	0.49	0.09	-	-	(0.19)	-	(0.19)	100%
20	M/s Gravita Infotech	03rd March, 2011	NA	INR	1.00	2.00	4.86	6.94	0.08	-	-	(1.00)	-	(1.00)	100%
21	M/s Gravita Metal Inc.	28th June, 2005 (Date of Incorporation) 08th June, 2011 (Date of acquisition)	NA	INR	1.00	100.00	(2,188.96)	1,857.21	3,946.09	-	8,554.82	(460.41)	(32.77)	(427.64)	100%
22	Gravita Infotech Limited	28th June, 2005 (Date of Incorporation) 27th March, 2009 (Date of acquisition)	NA	INR	1.00	20.00	189.99	219.60	9.59	7.57	(26.26)	(33.33)	-	(33.33)	100%
23	Noble Buildestate Private Limited (ix)	14th December, 2007 (Date of Incorporation) 03rd July, 2012 (Date of acquisition)	NA	INR	1.00	2.00	0.34	200.85	198.50	-	-	186.81	-	186.81	100%

Notes

i. Proposed dividend from any of the subsidiaries is Nil.
ii. if different from the holding company's reporting period
iii. Converted at historical exchange rates
iv. Reserve and surplus includes other comprehensive income, Security premium, General reserve, Legal reserve and Share options outstanding account
v. Including Fixed assets and investments at historical exchange rates
vi. Converted at average exchange rates
vii. Investments includes investments in subsidiaries
viii. Turnover includes other operating revenues & exclude non operating revenue(including inter-company transactions)
ix. Subsidiaries of the Company are yet to commence their operations

Part - B : Associates

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

(All amounts in ₹ Lacs, unless otherwise stated)

S. No.	Name of Associates	Date of acquisition of control	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 shareholders 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	21st October, 2003	Mar 31, 2021	5,000	0.50	25%	Equity holding more than 20%, but less than 50%	Not applicable	1.03	(1.05)	(3.32)

For and on behalf of the Board of Directors

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place : Jaipur

Annexure-7

Business Responsibility And Sustainability Report (BRSR)

SECTION A General disclosures
SECTION B Management and process disclosures
SECTION C Principle-wise performance disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A: General disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L29308RJ1992PLC006870
2	Name of the Company	Gravita India Limited
3	Year of Incorporation	1992
4	Registered office address	"Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura Road, Tehsil - Phagi Jaipur-303904 (Rajasthan) India
5	Corporate office address	Gravita Tower, A-27B, Shanti Path, Tilak Nagar, Jaipur- 302004 (Rajasthan) India
6	E-mail	info@gravitaindia.com
7	Telephone	91-141-4057800
8	Website	https://www.gravitaindia.com/
9	Financial year for which reporting is being done	2021-22
10	Name of the Stock Exchange(s) where shares are listed	NSE & BSE
11	Paid-up Capital	₹ 138,075,828
12	Name and contact details (telephone, email address) of the person for BRSR Reporting	Nitin Gupta (Company Secretary), Contact No: +91-7073332660, Email: companysecretary@gravitaindia.com
13	Reporting boundary	Disclosures made in this report are on a standalone basis and pertain only to Gravita India Limited.

II. Product/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of lead, and Lead alloys	88.71%
2	Manufacturing	Manufacturing of Aluminium and alloys	6.57%
3	Manufacturing	Manufacturing of plastics products	3.30%
4	Manufacturing	Manufacturing of Turnkey solutions	1.35 %

15. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Services	NIC Code	% of Total Turnover contributed
1	Lead	24203	88.71%
2	Aluminium	24202	6.57%
3	Plastic Products	22209	3.30%
4	Turnkey Projects	28230	1.35%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants	Number of offices	Total
1	National	6*	1	7
2	International#	7	3	10

* The plants in India are located in Phagi-Jaipur, SEZ- Jaipur, Gandhidham-Gujarat, Mundra-Gujarat, Chittoor-Andhra Pradesh, Kathua- Jammu

These are on a consolidated basis as the company is not having direct plants in overseas. Globally we operate in Ghana, Senegal, Mozambique, Tanzania, Sri Lanka, Nicaragua, USA, Singapore, Netherlands

17. Markets served by the entity

a. Number of locations served

S. No.	Number of Locations served	Number of offices
1	National (Number of states)	22
2	International (Number of countries)	33

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Gravita India Limited exports 50.55% of its total turnover of the company to countries outside.

c. Briefly explain the types of customers

Gravita today operates and provides services in four key segments: Battery Manufacturers, Cable manufacturing Industries, Paint & Pigment industries, Die Casting Industry and Plastic industries.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Particulars	Total	Male		Female	
	No. (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	390	383	98%	7	2%
Other than permanent (E)	13	13	100%	0	0%
Total employees (D+E)	403	396	98.26%	7	2%
Workers					
Permanent (F)	1117	1069	95.70%	48	4.30%
Other than permanent (G)	56	56	100%	0	0%
Total workers (F+G)	1173	1125	95.9%	48	4.30%

b. Differently abled Employees and workers:

Particulars	Total	Male		Female	
	No. (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees					
Permanent (D)	2	2	100%	0	0%
Other than permanent (E)	0	0	0%	0	0%
Total employees (D+E)	2	2	100%	0	0%
Differently abled Workers					
Permanent (F)	0	0	0%	0	0%
Other than permanent (G)	0	0	0%	0	0%
Total Differently abled workers (F+G)	0	0	0%	0	0%

19. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	6	1	16%
Key Management Personnels*	5	0	0%

*As per the Companies Act 2013, KMP includes the MD and WTD. So, the MD & WTD is included in the board also as well as in the KMP head also.

20. Turnover rate for permanent employees and workers

Category	FY 2022			FY 2021			FY 2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	11%	2%	13%	15%	1%	16%	3%	1%	3%
Permanent workers	41%	1%	42%	26%	1%	27%	20%	2%	2%

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

S. no.	Name of the holding / subsidiary / associate companies / joint ventures	Is it a holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Gravita Infotech Limited	Wholly Owned Subsidiary	100%	No
2	Noble Build Estate Private Limited	Wholly Owned Subsidiary	100%	No
3	Gravita Ghana Limited	Wholly Owned Subsidiary	100%	No
4	Gravita Senegal SAU	Wholly Owned step-down Subsidiary	100% (through Gravita Netherlands BV)	No
5	Gravita Mozambique LDA	Wholly Owned step-down Subsidiary	Through Gravita Netherlands BV 96.38%, through Gravita Global Pte Limited 3.62%	No
6	Gravita Global Pte. Limited	Wholly Owned Subsidiary	100%	No
7	Gravita Netherlands B.V	Wholly Owned step-down Subsidiary	100% (through Gravita Global PTE Limited)	No
8	Navam Lanka Limited	Step down Subsidiary	52% (through Gravita Netherlands BV)	No
9	Gravita Nicaragua S.A	Wholly Owned step-down Subsidiary	Through Gravita Netherlands BV 95%, Through Gravita Global Pte Limited 5%	No
10	Gravita Ventures Limited	Wholly Owned step-down Subsidiary	99% (through Gravita Netherlands BV)	No
11	Gravita USA Inc.	Wholly Owned step-down Subsidiary	100% (Through Gravita Netherlands BV)	No
12	Gravita Jamaica Limited	Wholly Owned step-down Subsidiary	100% (through Gravita Netherlands BV)	No
13	Recyclers Ghana Limited	Wholly Owned step-down Subsidiary	100% (through Gravita Netherlands BV)	No
14	Gravita Mali SA	Wholly Owned step-down Subsidiary	100% (through Gravita Netherlands BV)	No
15	Gravita Tanzania Limited	Wholly Owned step-down Subsidiary	Through Gravita Netherlands BV 99%, Through Gravita Global Pte Limited 1%	No
16	Mozambique Recyclers LDA	Wholly Owned step-down Subsidiary	Through Gravita Netherlands BV 98%, Through Gravita Global Pte Ltd 2%	No
17	Gravita TOGO SAU	Wholly Owned step-down Subsidiary	100% by Gravita Netherlands BV	No
18	Recyclers Gravita Costa Rica SA	Wholly Owned step-down Subsidiary	100% (Through Gravita Netherlands BV)	No

S. no.	Name of the holding / subsidiary / associate companies / joint ventures	Is it a holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
19	Pearl Landcon Private Limited	Associate	25% by Gravita Infotech Limited	No
20	M/s Gravita Infotech	Wholly Owned Subsidiary	49% share through Gravita India Limited & 51% Through Gravita Infotech Limited	No
21	M/s Recycling Infotech LLP	Wholly Owned Subsidiary	51% share through Gravita India Limited & 49% Through Gravita Infotech Limited	No
22	M/s Gravita Metal Inc	Wholly Owned Subsidiary	95% share through Gravita India Limited & 5% Through Gravita Infotech Limited	No

Note: the above details are as on March 31, 2022.

VI. CSR Details

22.

i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. If yes, Turnover - ₹ 1,894.18 Crores

iii. Net worth - ₹ 207.89 Crores

VII. Transparency and disclosure compliances

23. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC) –

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022			FY 2021		
	(If Yes, then provide web-link for grievance redress policy)	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Communities	Yes, Gravita India Limited has a Grievance redressal mechanism in place for all oi its stakeholders. The policy can be accessed through below web link: http://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf.	NIL	NIL	-	NIL	NIL	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022			FY 2021		
		No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Investors		NIL	NIL	-	NIL	NIL	--
Shareholders		29	0	Most of the complaints are of non-receipt of dividend warrants, Annual reports & clarification regarding shares.	28	0	Most of the complaints are of non-receipt of dividend warrants, Annual reports & clarification regarding shares.
Employees and workers		NIL	NIL	-	NIL	NIL	-
Customers		NIL	NIL	-	NIL	NIL	-
Value Chain Partners		NIL	NIL	-	NIL	NIL	-
Other (please specify)		NIL	NIL	-	NIL	NIL	-

24. Overview of the entity's material responsible business conduct issues

Gravita India Limited has conducted its comprehensive materiality assessment in FY 2022 to identify their ESG-related material topics which have been further categorized as per their business impact and priorities of implementation. We have identified 20 material issues imperative for our sustainable business operations, and which create long term impact. The top 3 material issues are detailed in the following table:

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	O and R	**Opportunity:** The company is uniquely positioned in the market for reclamation of scrap, thereby ensuring a second life of the materials and reducing the primary extraction and the emissions from it. Recycling reduces energy consumptions upto 90% as compared to production through primary sources and reduces GHG emissions.	NA	**Positive:** Through its advanced State of the art environment- friendly processes and use of renewable energy company is able to ensure a positive financial impact.

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Risk: During the process of recycling there is GHG emission due to which company has to focus on reduction of emissions, improved energy management and adoption of renewable energy in the operations.	Company is constantly striving to improve its technology to ensure eco-friendly practices through the product life cycle & in-turn reducing carbon footprint. Further company is also focusing on using alternative sources of energy to reduce GHG emissions.	
2	Code of Conduct	O	Helps in alignment with the business's core values and operating in an ethical manner, as per governing laws as well.	NA	**Positive-** Better work environment leading to overall business success, reputation, and development of employees
3	Employee health and safety	R	Has an impact on the overall productivity and wellbeing of employees	Focusing on training and awareness programs to reduce the instances of accidents, as well as wellbeing programs. The company has made it mandatory to use Personal Protection Equipment kit for safety of workers.	**Negative-** Any workplace incident that impacts an employee's health and safety will result in hospitalization charges, litigation charges, regulatory charges, long term health impacts to employee, and damage to company's reputation

SECTION B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

1. Policy and Management Issues

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1b	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1c	Web Link of the Policies, if available	1. Business Responsibility Policy https://gravitaindia.com/wp-content/uploads/pdf/BRpolicy.pdf 2. Code of Conduct https://www.gravitaindia.com/wp-content/uploads/2022/05/Code-of-conduct.pdf 3. Whistle Blower Policy http://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf 4. Related Party Transaction Policy https://www.gravitaindia.com/wp-content/uploads/2022/05/RPT-policy.pdf 5. Policy for determining material subsidiary http://www.gravitaindia.com/wp-content/uploads/pdf/material-subsidiaries-policy.pdf 6. Nomination and Remuneration policy http://www.gravitaindia.com/wp-content/uploads/pdf/nomination-remuneration-policy.pdf 7. Corporate Social Responsibility https://www.gravitaindia.com/wp-content/uploads/2022/07/CSR-POLICY.pdf 8. Succession planning policy http://gravitaindia.com/wp-content/uploads/pdf/succession-planning-policy.pdf 9. Sexual Harassment policy http://www.gravitaindia.com/wp-content/uploads/pdf/sexual-harassment-policy.pdf 10. Policy on control and maintenance of Stationery http://gravitaindia.com/wp-content/uploads/pdf/Policy%20on%20statonary.pdf 11. Risk Management policy http://www.gravitaindia.com/wp-content/uploads/pdf/risk-management-policy.pdf 12. Materiality of Events and information http://www.gravitaindia.com/wp-content/uploads/pdf/materiality-of-events-and-information-policy.pdf 13. Preservation of Archives and documents policy http://www.gravitaindia.com/wp-content/uploads/pdf/preservation-policy.pdf 14. Familiarization policy http://www.gravitaindia.com/wp-content/uploads/pdf/familarization-policy.pdf								

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
		15. Dividend Distribution policy http://gravitaindia.com/wp-content/uploads/pdf/FY21/Dividdend%20Distribution.pdf 16. Board Diversity Policy https://www.gravitaindia.com/wp-content/uploads/2022/05/Board-diversity.pdf 17. Human Right Policy https://www.gravitaindia.com/wp-content/uploads/2022/08/Human-Rights-policy.pdf								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Company has adopted various standards specified by the International Organization for Standardization (ISO). These are: a. ISO 9001: 2015 for Quality management system. b. ISO 14001: 2015 for Environment management system. c. ISO 45001: 2018 Health and Safety management system. d. 2 (Two) International Lead Association approved plants Phagi, Rajasthan & Chittoor, Andhra Pradesh] Apart from these, other standards which the Company is following with are: ● National Voluntary Guidelines (NVG) given by Ministry of Corporate Affairs for Social, Environment and Economic responsibility of business. The policies related to all principles are formulated with detailed consultation with relevant stakeholders as per industry framework and market standards, as per management guidelines within the applicable legal and regulatory framework requirements, at national and international level.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to the Chairman Message as given in the Annual Report.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Gravita has prepared its ESG Vision and set targets in FY 2022. The performance against these targets will be disclosed in the next financial year.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We are committed to align our operations with the business responsibility principles, accordingly we have taken steps in the recent past. We are a Recycling company; hence, it is critical as well as challenging for us to keep our operations environmentally and socially sustainable. To address these challenges systematically and identify our most critical intervention areas, we performed ESG materiality assessment for this year. Along with that, we have taken measures to eliminate any levels of discrimination and human rights violations in the company. The company is taking feedback from all stakeholders, employees and workers for the business to grow sustainably and equitably.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. Rajat Agrawal, Managing Director & Mr. Yogesh Malhotra, WTD & CEO, of the company will oversee the implementation of Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

The relevant policies are administered by the Departmental Heads who report to the Management of the Company who is responsible for monitoring and overseeing all policy implementation.

10. Details of Review of NGRBCs by the Company

	Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Subject for Review	**b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1	Performance against above policies and follow up action	Policies of the Company are reviewed periodically or on a need basis by department heads, business heads or the functional heads. During this review, the efficacy of the policy is reviewed, and necessary changes are implemented.								
2	Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	As per the requirement of laws applicable to the company.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: Principle-wise performance disclosure

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

S. No	Segment	Total number of training & awareness programmes held	Topics / principles covered under the training	% age of persons in respective category covered by the awareness programmes
1	Board of Directors	1	They have been given awareness trainings for the Code of conduct policy. They were provided with brief synopsis of the business segments of the company along with training programmes being conducted by the company in this FY.	100%
2	Key Managerial Personnel	1	They have been given awareness trainings for the Code of conduct policy.	100%
3	Employees other than BOD and KMPs	6	Trainings are imparted through online and classroom modes, as well as on the job as per requirement. They include: 1. Code of conduct 2. POSH 3. Process orientation trainings 4. Soft skills development trainings 5. Health & Safety 6. Skill up gradation Training Programmes	55%
4	Workers	12	1. Quality Policy & Objective 2. IMS Awareness 3. Fire Fighting & Safety 4. Preventive Maintenance 5. House Keeping/5S 6. HIRA Awareness 7. Health & Safety 8. General Awareness on Emergency Situation 9. On Job Training 10. Awareness of PPE's 11. Aspects & Impacts 12. Training on ISO	100%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2022

No material monetary & non-monetary fines/penalties were paid in FY 2022.

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed

Not Applicable

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The policy related to the prevention of bribery and corruption is embedded in the Company's Codes of Conduct (viz, Code of Conduct for Employees, Code of Conduct for Directors and Senior Management and Supplier Code of Conduct), Whistle Blower Policy and HR policies and practices. The required steps to ensure proper reporting of incidents are outlined in the Whistle Blower policy. All complaints received from whistleblowers are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company also creates awareness about the Whistle Blower mechanism and Code of Conduct to ensure proper implementation of the Codes. The relevant policies can be accessed at **http://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf**

5. **Number of Directors / KMPs / Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption**

S. No.	Segment	FY 2022	FY 2021
1	Directors	NIL	NIL
2	Key Managerial Personnel	NIL	NIL
3	Employee	NIL	NIL
4	Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest**

S. No.	Segment	FY 2022		FY 2021	
		Number	Remarks	Number	Remarks
1	Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
2	Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

S. No.	Segment	FY 2022	FY 2021	Details of improvements in environmental and social impacts
1	R&D*	NIL	NIL	-
2	Capex	INR 6.00 crores	Nil	Company has installed a total of 1,300 KW of Solar Energy Generation system at its manufacturing facilities located in India. This solar installation is expected to generate nearly 20 Lakh KWh of energy per year and will help to fulfill the vision of the company by reducing carbon emissions around 1,550 tonnes per year. This will also help to fulfill 12% of Gravita's total energy requirement with reduction in cost of production and enhance operational efficiencies. Going forward company has plans to consume 50% of its power needs through renewable energy resources by 2035.

* Research and Development is an ongoing process in the company which are carried out by a Turnkey division of the company situated at SEZ, Jaipur.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, Gravita has the proper procedure for sustainable sourcing. The Company endeavors to focus on protection of environment, stakeholders' interest and cost effectiveness while procuring any raw material or goods. The main raw materials – Battery, Aluminum and plastic scrap are collected from traders, Corporates and OEM's who are well-reputed global players. Adequate steps are taken for safety during transportation and optimization of logistics, which, in turn, help to mitigate the impact on climate.

b. **If yes, what percentage of inputs were sourced sustainably?**

At present, 45% of inputs sources are sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

Gravita engages certified e-waste handlers for disposal of e-waste. The Hazardous waste is sent to government authorised agencies for environmentally safe disposal. In case of other waste which includes food waste, it gets converted to manure

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	383	383	100%	383	100%	-	-	NIL		NIL	
Female	7	7	100%	7	100%	7	100%	NIL		NIL	
Total	390	390	100%	390	100%	7	100%	NIL		NIL	
Other than Permanent Employees*											
Male	13	13	100%	13	100%	-	-	NIL	-	NIL	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	13	13	100%	13	100%	-	-	-	-	-	-

*Non-Permanent employees – Non-Permanent Employees are contracted via a 3rd party and the responsibility related to the information shared above lies with the contractor. Gravita ensures that the contractors meet the statutory requirements.

b. Details of measures for the well-being of workers:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1069	1069	100%	1069	100%	-	-	0		0	
Female	48	48	100%	48	100%	48	100%	0		0	
Total	1117	1117	100%	1117	100%	48	100%	0		0	
Other than permanent workers*											
Male	56	56	100%	56	100%	-	-	-	-	-	-
Female	0	0	0%	0	0%	-	-	-	-	-	-
Total	56	56	100%	56	100%	-	-	-	-	-	-

*Non-Permanent Workers – Non-Permanent workers are contracted via a 3rd party and the responsibility related to the information shared above lies with the contractor. Gravita ensures that the contractors meet the statutory requirements.

2. Details of retirement benefits for Current and Previous FY

S. No.	Category	FY 2022			FY 2021		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI*	100%	100%	Y	100%	100%	Y

*All eligible employees and workers on whom ESI is applicable as per ESI Act 1948 are covered under ESI. For the business location, which does not come under purview of ESI, the workforce which is not included here are covered through workmen compensation.

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is committed to embracing inclusion and diversity in its campuses. The Company's facilities have the necessary infrastructure in place to ensure access and inclusion for differently abled staff.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company encourages diversity in the workplace. Gravita is an Equal Opportunity Employer and does not follow or support any discrimination based on caste, gender, sexual orientation, religion, ethnicity or physical disabilities. All employees are expected to be respectful towards each other and not promote or tolerate any form of discrimination. The Policy can be accessed here: **http://gravitaindia.com/wp-content/uploads/2022/07/Code-of-Conduct.pdf**

5. Return to work and Retention rates of permanent employees that took parental leave

No employee has taken a parental leave in the last 2 years.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

Yes

1	Permanent employee	We have instilled the Grievance Redressal Mechanism in place to resolve the issues of employees. It covers Violation of the Company's Code, such as Business Integrity, Sexual Harassment, Prevention of Fraud, Rights to Intellectual Property and Data Protection. The contact details are mentioned in our Whistle Blower Policy. The investigation of the complaints are done both internally as well as through an external investigator if decided by the Audit committee. The investigation is generally completed within 45 days after filing of the complaint. http://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf
2	Other than Permanent Employees	Non-permanent workers on Gravita Plants are contracted via a 3rd party and their grievance redressal mechanism rests with the contractors. Gravita India Limited ensures that all norms and regulations while working on plants are met and safety precautions are adhered to .
3	Permanent Workers	The Grievances/Works Committee is in force under the Factories Act 1948, to redress any Grievance. The committee for workers is filed level committee within the reach of workers. Permanent workers are also covered under Whistle blower policy. It covers Violation of the Company's Code, such as Business Integrity, Sexual Harassment, Prevention of Fraud, Rights to Intellectual Property and Data Protection. The contact details are mentioned in our Whistle Blower Policy. http://www.gravitaindia.com/wp-content/uploads/pdf/whistle-blower-policy.pdf
4	Other than Permanent Workers	Workers are engaged on contractual basis can report their grievances to their respective contractor representative or the Plant Head. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

7. Membership of employees in association(s) or Unions recognised by the listed entity

The company does not have any Trade Unions.

8. Details of training given to employees*

Category	FY 2022					FY 2021				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	383	208	54.30%	208	54.30%	303	200	66%	165	54.45%
Female	7	7	100%	7	100%	11	11	100%	11	100%
Total	390	215	55.12%	215	55.12%	314	211	67.19%	176	56.05%
Workers										
Male	1069	1069	100%	1069	100%	847	847	100%	847	100%
Female	48	48	100%	48	100%	44	44	100%	44	100%
Total	1117	1117	100%	1117	100%	891	904	100%	891	100%

*The above data excludes Non-permanent employees and workers

9. Details of performance and career development reviews of employees and workers*:

The Company has an inbuilt procedure for ensuring the conduct of Performance Appraisal of employees and workers by the respective head of the department/company in a fair and impartial manner. Every employee and worker have to first evaluate themselves first then their evaluation is done by their Head of the Department against their performance in the respective tenure.

	FY 2022			FY 2021		
Category	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	383	383	100%	303	303	100%
Female	7	7	100%	11	11	100%
Total	390	390	100%	314	314	100%
Workers						
Male	1069	1069	100%	847	847	100%
Female	48	48	100%	44	44	100%
Total	1117	1117	100%	891	891	100%

*The above data excludes Non-permanent employees and workers

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?

Yes, all plants of company have implemented ISO 45001 – Occupational, Health and Safety Management System and the scope of certification covers product manufacture and supply.

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?

To ensure adherence to prescribed safety norms, teams visit workplaces/locations to carry out inspections and assessments of potential hazards that could harm workers. Teams interact with the workmen and explain hazards and risks involved in allocated activities. The Company also has a Hazard Identification and Risk Assessment (HIRA) process that involves identification of existing as well as potential routine and non-routine workplace hazards viz., periodic review of risks, determining and implementing a hierarchy of controls for safe operations. Hazards related to working at height, working in confined spaces, hot works, conveyor belts, inadequate guarding, maintenance, etc. are covered under the HIRA register.

c. Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the workers can report any work-related hazards to the head through suggestion kits, and direct communication. The management takes immediate action on receiving any such complaint.

d. Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes, employees and workers have access to non-occupational medical and healthcare services. Medically qualified doctors, paramedic and support staff cover all shifts to support any medical emergencies. The Company has tied up with well-established hospitals to deal with any kind of incident, accident or medical emergency. Employees are required to undergo an annual health check-up and healthcare advice is provided. Medical insurance facilities are provided to employees and their dependents.

11. Details of safety related incidents, in the following format

	Safety Incident/Number	Category	FY 2022	FY 2021
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
		Workers	0	0
2	Total recordable work-related injuries	Employees	0	0
		Workers	0	0
3	No. of fatalities	Employees	0	0
		Workers	0	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		Workers	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace**

    As a responsible employer, we conduct various health and medical checkups on regular basis by recognised institutions rolled out across different locations. Moreover, employees have access to various wellness workshops.

13. **Number of Complaints on the following made by employees**

    There was no complaint received by employees & workers regarding Health & safety and Working conditions across the different locations in the current year as well as in the previous year.

14. **Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of plants were assessed by the company
Working Conditions	100% of plants were assessed by the company

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

    Planning & risk analysis identifies opportunities to eliminate hazards, and to reduce risks and adverse impacts.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Gravita's stakeholder groups are those which are directly or indirectly impacted by it or can impact our value creation in the short, medium, or long term. Our relations with them are based on mutual trust and understanding their priorities in creating shared value.

Gravita has identified internal stakeholders like employees, workers, and board of directors, as well as external stakeholders that impact our business, like investors, suppliers, and communities. The company has also engaged with these stakeholders through different channels for conducting the materiality assessment in FY 2022.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Intranet, Communication Meeting, Training programs, annual health Checkups, canteen Services, Covid Vaccination Drives, Residential Colony for labors at manufacturing facilities, ward fees to marginalized employees	Regularly	Learning and growth, Remuneration and benefits, Equal opportunities, Promotion of occupational, health and safety practices
Investors & Stakeholders	No	Quarterly Results, Annual Reports, Earnings Call, Analyst Meet, Press Releases	Quarterly/ half Yearly/ Annually	Transparency, Governance, Credit rating, Earnings Per Share (EPS), Communication with investors, Press Release, Exponential growth, Complaints and grievances

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customer & Vendors	No	Regular Business Meetings, Customer Satisfaction Survey	Regularly	Marketing activities Online engagement through the website and linked-in
Bankers and other financial institutions	No	Credit Rating, Funding, Governance etc.	Regularly	Credit Rating, Governance
Society	Yes	Through CSR Programmes	Regularly	Improved employment opportunities, better Products, Enhanced Income, Enhanced Standard of Living

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

All employees & workers of Gravita are provided with Human Rights training. Human Rights awareness is part of the induction session by HR department. Our Human Rights Policy can be accessed at **https://www.gravitaindia.com/wp-content/uploads/2022/08/Human-Rights-policy.pdf**

	FY 2022			FY 2021		
Category	**Total (A)**	**No (B)**	**% (B/A)**	**Total (C)**	**No (D)**	**% (D/C)**
			Employees			
Permanent	390	390	100%	314	314	100%
Other than permanent	13	0	0	9	0	0
Total employees	403	390	96.77%	323	314	97.21%
			Workers			
Permanent	1117	1117	100%	891	891	100%
Other than permanent	56	0	0	32	0	0
Total workers	1163	1117	96.04%	923	891	96.53%

2. Details of minimum wages paid to employees and workers

All the workers are paid in compliance with the Minimum Wages Act, 1948. Additional perks and benefits like food allowances like are provided to them in addition. Our employees are paid as per industry standards and do not fall in the hourly wages category.

Category	FY 2022					FY 2021				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	383	0	0%	383	100%	303	0	0%	303	100%
Female	7	0	0%	7	100%	11	0	0%	11	100%
Other than permanent										
Male	13	0	0	13	100%	9	0	0	9	100%
Female	Nil	-								
Workers										
Permanent										
Male	1069	0	0%	1069	100%	847	0	0%	847	100%
Female	48	0	0%	48	100%	44	0	0%	44	100%
Other than permanent										
Male	56	0	0	56	100%	32	0	0	32	100%
Female	Nil	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	₹ 127.85 Lacs per annum	0	0
Key Managerial Personnel	5	₹ 62.11 Lacs per annum	0	0
Employees other than BoD and KMP	383	₹ 5.04 Lacs per annum	7	₹ 5.31 Lacs per annum
Workers	1069	₹ 1.97 Lacs per annum	48	₹ 1.49 Lacs per annum

*We have 3 executive directors who are paid compensation, rest are independent directors to whom no sitting fees is paid.

**We have one female independent Director, to whom no sitting fees is paid.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the entity has its Human Resource department to take care of human rights of the employees & workers and resolve their grievances in the workplace.

5. Describe the internal mechanisms in place to redress grievances related to human rights issue

All the staff member and workers also have a secure and 24x7 access to raise grievances and to report anonymously suggestion boxes. Trainings are given on different level to female employees & workers on Prevention of Sexual Harassment.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2022		FY 2021	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	0	0	0	0
Discrimination at workplace	0	0	0	0
Child Labour	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0
Wages	0	0	0	0
Other human rights related issues	0	0	0	0

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

   Our whistleblower policy has clearly laid down the guidelines to prevent retaliation against a complainant. A Complainant is saved from physical harm, loss of job, punitive work assignments, or impact on salary or wages. A complainant not satisfied with the redressal may file a written complaint to the chairman of the Audit committee.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes, in certain business agreements and contracts where relevant. It is clearly written that all the statutory obligations applicable at the place of work have to be followed.

9. **Assessments for the year**

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100 % of our plant sites were assessed by the company
Discrimination at workplace	100 % of our plant sites were assessed by the company
Child Labour	100 % of our plant sites were assessed by the company
Forced Labour/ Involuntary Labour	100 % of our plant sites were assessed by the company
Wages	100 % of our plant sites were assessed by the company

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

There was no need to take any corrective actions as no significant risk/ concern arose from the above assessment. Effective system of internal control is placed to improve the efficiency of work.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in GJ) and energy intensity, in the following format**

Parameter	FY 2022	FY 2021
Total electricity consumption (A)	43,916.68	35,233.99
Total fuel consumption (B)	17,930.39	13,991.45
Energy consumption through other sources (C)	4,61,867.69	3,57,895.80
Total energy consumption (A+B+C)	5,23,714.76	4,07,121.25
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (in GJ/rupees)	$2.765\text{x}10^{-05}$	$2.15\text{x}10^{-05}$

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   No. The entity is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format**

Parameter	FY 2022	FY 2021
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	**56,01,698**	**53,80,536**
(iii) Third party water	**22,85,413**	**19,75,274**
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**78,87,111**	**73,55,810**
Total volume of water consumption (in kilolitres)	**78,87,111**	**73,55,810**
Water intensity per rupee of turnover (Water consumed / turnover)	**0.0004**	**0.006**
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : No

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   All our plants are certified as Zero Liquid Discharge plants. Yes, the entity has adopted Acid Nitration System for ensuring Zero Liquid discharge. We have installed Sewerage Treatment and Effluent Treatment Plant in factory premises. The STP will be used for domestic usage water treatment purpose and ETP will be used for process water treatment purpose. The ETP treated water re-used in the process and STP treated water used for gardening purpose. Apart these we installed Neutralization system for BHS purpose washing the battery boxes and used water will be treated through neutralization system.

5. **Provide details of air emissions (other than GHG emissions) by the entity, in the following format.**

Parameter		Units	FY 2022	FY 2021
NOx	Phagi	Mg/nm3	169	245
	Gandhidham	Mg/nm3	21.6	20.07
	Chittoor	Mg/nm3	202	239
	Mundra	ppm	18.6	NA
SOx	Phagi	Mg/nm3	67	119.98
	Gandhidham	Mg/nm3	59.4	65.4
	Chittoor	Mg/nm3	56	70
	Mundra	ppm	66.3	NA
Particulate matter (PM)	Phagi	Mg/nm3	28.76	38.11
	Gandhidham	Mg/nm3	58.23	83.53
	Chittoor	Mg/nm3	14.2	20.8
	Mundra	Mg/nm3	72.4	NA
Persistent organic pollutants (POP)	-	-	-	-
Volatile organic compounds (VOC)	-	-	-	-
Hazardous air pollutants (HAP)	-	-	-	-
Others – please specify	-	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an Environmental Monitoring is done by M/s. SMS Lab Service Pvt Ltd, Chennai.

Disclaimer: Phagi, Gandhidham, Chittoor and Mundra are only manufacturing plants in India for Gravita India Limited. Thus, the data is available for these sites only.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Units	FY 2022	FY 2021
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	NA	
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	NA	
Total Scope 1 and Scope 2 emissions per rupee of turnover		NA	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

The company has commissioned a solar power project of capacity of 1,300 KW at its manufacturing facilities located in India in FY 2022. Through this project we aim to reduce our consumption from the State Distribution Company (DISCOM) and in turn reduce our Scope 2 emissions substantially.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022	FY 2021
	Total Waste generated (in MT)	
Plastic waste (A)	NIL	NIL
E-waste (B)	0.28 MT	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	1,175.02 (Lead Slag Qty in MT)	870.72 (Lead Slag Qty in MT)
Other Non-hazardous waste generated (H). Please specify, if any.	NA	NA
Total (A+B + C + D + E + F + G + H)	1,175.30	870.72

9. **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste	FY 2022	FY 2021
	Total Waste generated (in MT)	
(i) Recycled	0.000	0.000
(ii) Re-used	0.000	0.000
(iii) Other recovery operations	0.000	0.000
Total	0.000	0.000

10. **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste	FY 2022	FY 2021
	Total Waste generated (in MT)	
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other recovery operations Send to TSDF for Disposal	1103.94	792.95
Total	1103.94*	792.95

*The balance slag which is lying at our plants will be disposed in due course of time.

11. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes**

Lead slag is produced as a byproduct of our manufacturing and processing activities. The company is promoting research for recycling of slag to produce cement blocks and bricks, which will be used for construction activities. . Currently, the slag is sent to government authorised sites for environmentally safe disposal.

12. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format**

No. We do not have any office or plant location around ecologically sensitive areas

13. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

Not Applicable

14. **Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

No monetary fines were levied on the entity as per the applicable environmental laws, regulations, guidelines in India.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers / associations**

Gravita is affiliated with 5 trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Export Organisation (FIEO)	National
3	Rajasthan Chamber of Commerce Industries (RCCI)	State
4	Material Recycling Association of India (MRAI)	National
5	Employers Association of Rajasthan	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

There was no such adverse order was issued by any regulatory authority relating to anti-competitive conduct of entity. Our entity is in compliance with all the regulations of Competition Act 2002.

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY 22**

   Not Applicable

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format**

   Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community**

   Consumer Surveys & Consumer Satisfaction Trends is being conducted periodically to assess the consumer satisfaction level. The Company has in place Stakeholder's Relationship Committee for listening to the grievances of Stakeholders. However, the employees and workers can approach to the Human Resource Department for any grievances. The Company has contact details and email on its website for enquiry related to Company's service and sales query.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Category of waste	FY 2022	FY 2021
Directly sourced from MSMEs/ small producers	3.00%	2.51%
Sourced directly from within the district and neighbouring districts	5.82%	4.61%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

   The Company has a defined mechanism to receive and respond to consumer feedback and complaints. Consumers can directly reach out to Company on the number and email address mentioned on invoice/website. Our link to consumer complaints and feedback: **https://www.gravitaindia.com/contact-us/#**

2. **Turnover of products and / services as a percentage of turnover from all products/ service that carry information about**

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since we provide services in a B2B market such information on products is provided by the aggregators/final product manufacturers.
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

   We have received zero complaints in the aspects of Data Privacy, Advertising, Cybersecurity, Restrictive Trade Practices and Unfair Trade Practices in previous and Current year. Our products and services do not fall under delivery of essential services.

4. **Details of instances of product recalls on accounts of safety issues**

   There is no instance of Voluntary as well as forced product recall on account of safety issues. Proper Testing of our product is undertaken for safety purpose.

5. **Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**

   The Company has an internally available policy on cyber security.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

   Not Applicable

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 organization, 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 behaviour, 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, 2022, 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 the 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 the composition of the Board as on 31st March, 2022, the attendance record of the Directors at the Board Meetings held during the financial year 2021-22 and at the last Annual General Meeting (AGM), along with 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 27th September, 2021	Number of Directorships in other companies as on 31st March, 2022	Directorship in listed entity & Category of Directorship as on 31st March, 2022	No. of committee positions held in other public companies as on 31st March, 2022	
					Chairman	Member
Dr. Mahavir Prasad Agarwal (DIN: 00188179)	Executive Director (Chairperson)	No	6	Nil	Nil	Nil
Mr. Rajat Agrawal (DIN: 00855284)	Executive Director (Managing Director)	Yes	5	Nil	Nil	Nil
Mr. Yogesh Malhotra (DIN: 05332393)	Executive Director, CEO	Yes	3	Nil	Nil	Nil
Mr. Dinesh Kumar Govil (DIN: 02402409)	Non-Executive Lead Independent Director	Yes	4	Nil	1	Nil

Name	Category	Whether attended AGM held on 27th September, 2021	Number of Directorships in other companies as on 31st March, 2022	Directorship in listed entity & Category of Directorship as on 31st March, 2022	No. of committee positions held in other public companies as on 31st March, 2022	
					Chairman	Member
Mr. Arun Kumar Gupta (DIN: 02749451)	Non-Executive Independent Director	No	Nil	Nil	Nil	Nil
Mrs. Chanchal Chadha Phadnis (DIN: 07133840)	Non-Executive Independent Director	Yes	Nil	Nil	Nil	Nil

#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, Whole-time Director of the Company is father of Mr. Rajat Agrawal, Managing Director of the Company. Except this there are no inter-se relationships among the other 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 Directors of the company do not hold any shares and convertible instruments of the company as on 31st March, 2022

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 analyses the information and develop innovative approaches and solutions to the problems.	P
4	Financial Understanding	Ability to analyses 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 organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks.	P

Name of Director	Areas of Expertise					
	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Dr. Mahavir Prasad Agarwal (DIN: 00188179)	√	√	√	√	√	√
Mr. Rajat Agrawal (DIN: 00855284)	√	√	√	√	√	√
Mr. Yogesh Malhotra (DIN: 05332393)	√	√	√	√	√	√
Mr. Dinesh Kumar Govil (DIN: 02402409)	√	√	√	√	√	√
Mr. Arun Kumar Gupta (DIN: 02749451)	√	√	√	√	√	√
Mrs. Chanchal Chadha Phadnis (DIN: 07133840)	√	√	√	√	√	√

Board Meetings

Dates for the Board Meetings are decided well in advance and communicated to the Directors. 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 may be passed by circulation. 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. 7 (Seven) Board Meeting(s) were held during the reporting period 2021-22. The intervening period between two Board meetings is well within the maximum gap as prescribed under Regulation 17 (2) of SEBI (LODR) Regulations, 2015. Details of the same are reproduced herein below:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1	19th May, 2021	6	5
2	30th July, 2021	6	5
3	23rd September, 2021	6	5
4	01st November, 2021	6	4
5	10th January, 2022	6	6
6	29th January, 2022	6	5
7	28th March, 2022	6	4

Attendance of each Director at the Board Meetings:

Name of Director	Board Meetings held during the year	Meetings Attended
Dr. Mahavir Prasad Agarwal	7	1
Mr. Rajat Agrawal	7	6
Mr. Yogesh Malhotra	7	7
Mr. Dinesh Kumar Govil	7	7
Mr. Arun Kumar Gupta	7	6
Mrs. Chanchal Chadha Phadnis	7	7

Meeting of Independent Directors

In compliance of Section 149 of Companies Act, 2013 read-with the provisions of Schedule IV of the Companies Act, 2013 and the provisions of SEBI (LODR) Regulations, 2015 a separate meeting of Independent Directors was held on 28th March, 2022. Further, it is confirmed that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management. 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 or related financial management expertise.

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 4 (four) times during the financial year 2021-22 on:

19th May, 2021

30th July, 2021

01st November, 2021

29th January, 2022

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 during F.Y. 2021-22:

Name of the Members	Category	Number of Meetings held during the year	No. of Meetings Attended
Mr. Dinesh Kumar Govil	Non-Executive - Independent Director, Chairperson	4	4
Mr. Arun Kumar Gupta	Non-Executive - Independent Director, Member	4	2
Mrs. Chanchal Chadha Phadnis	Non-Executive - Independent Director, Member	4	4

The terms of reference of the Audit Committee are broadly as follows:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 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 included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ➢ 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) 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 and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, 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 thereon;
- 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;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing 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 existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The audit committee shall mandatorily review the following information:
  - ➢ Management discussion and analysis of financial condition and results of operations;
  - ➢ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - ➢ Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - ➢ Internal audit reports relating to internal control weaknesses; and
  - ➢ Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee.

- ➢ Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).
- 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 terms of reference of the Nomination and Remuneration Committee are broadly as follows:

- ❖ To formulate 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;
- ❖ To formulate the criteria for evaluation of Independent Directors and the Board;
- ❖ To Identify 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;
- ❖ To recommend to Board of Directors 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.
- ❖ To Devise a policy on Board diversity;
- ❖ To Develop a succession plan for the Board and to regularly review the plan;
- ❖ To Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

During the year the Company has changed the terms of reference of Nomination and Remuneration Committee. Further before the above changes the terms of reference of Nomination and Remuneration Committee were as under:

- ❖ 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 is the Chairman of the Nomination and Remuneration Committee. During the financial year 2021-22 the Committee met 2 (two) times i.e. on 10th January, 2022 and 28th March, 2022.

Composition of Nomination & Remuneration Committee and Attendance during F.Y. 2021-22:

Name of the Member	Category	Number of Meetings held during the Year	No. of Meetings Attended
Mr. Dinesh Kumar Govil	Non-Executive - Independent Director, Chairperson	2	2
Mrs. Chanchal Chadha Phadnis	Non-Executive - Independent Director, Member	2	2
Mr. Arun Kumar Gupta	Non-Executive - Independent Director, Member	2	2

Details of Remuneration paid to Directors during F.Y. 2021-22 (₹ In Lacs)

Name of the Director	Designation	Salary and other allowances	Stock options	Performance Incentive/ Special ExGratia	Provident Fund and Gratuity	Total
Dr. Mahavir Prasad Agarwal DIN: 00188179	Whole-time Director	120.00	Nil	Nil	8.05	128.05
Mr. Rajat Agrawal DIN: 00855284	Managing Director	119.84	Nil	Nil	7.99	127.84
Mr. Yogesh Malhotra DIN: 05332393	Whole-time Director & CEO	49.33	Nil	150.00	3.08	202.41

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 (DIN: 00855284) and Dr. Mahavir Prasad Agarwal (DIN: 00188179) 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 Director:

Following are the criteria for evaluation of performance of Directors:

1) How the person fares across different competencies as identified for effective functioning of the entity and the Board.
2) Whether the person has sufficient understanding and knowledge of the entity and the sector in which it operates.
3) Whether the person understands and fulfills the functions to him/her as assigned by the Board and the law.
4) Whether the person is able to function as an effective team- member.
5) Whether the person actively takes initiative with respect to various areas.
6) Whether the person is available for meetings of the Board and attends the meeting regularly and timely, without delay.
7) Whether the person is adequately committed to the Board and the entity.
8) Whether the person contributed effectively to the entity and in the Board meetings.

9) Whether the person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.).

10) Whether person is independent from the entity and the other directors and there if no conflict of interest.

11) Whether the person exercises his/ her own judgement and voices opinion freely.

Criteria for evaluation of Independent Director:

1. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

Performance of every Director of the Company be reviewed by filling up the questionnaire as placed before the Meeting, prepared by considering the parameters including Appropriateness of Qualification, knowledge, skills and experience, Time devoted to Board deliberations and participation level in board functioning, Extent of diversity in the knowledge and related industry expertise etc.

Committee Members then filled up the said form. The Chairman then reviewed the performance of every director on the basis of said duly filled questionnaire(s) and apprised that the performance of every Directors of the Company is satisfactory.

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 and it can be accessed through web link: http://www.gravitaindia.com/wp-content/uploads/pdf/nomination-remuneration-policy.pdf.

- **Appointment Criteria and qualifications:**

  The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his /her appointment.

  A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Directors including Independent Directors and KMPs should meet the requirements/criteria, if any, as prescribed/may be prescribed under the provisions of the Companies Act, 2013, from time to time. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient /satisfactory for the concerned position.

  The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

  Appointment of Independent Directors is subject to compliance of provisions of Section 149 of the Act, read with Schedule IV and Rules thereunder and SEBI (LODR Regulations), 2015 as amended from time to time.

Term/ Tenure:

- Managing Director/Whole-time Director/Manager (Managerial Person)/ Independent Director:

  The Term / Tenure of the Directors shall be governed as per provisions of the Act, and rules made thereunder as amended from time to time.

- **Independent Director:**

  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

Removal:

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act, and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to compliance of relevant provisions of the Act and the Rules, wherever applicable.

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

The Remuneration/Commission/Performance Incentive etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors in accordance with the provision of the Companies Act, 2013 and Listing Regulations.

➢ **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 provisions of the Companies Act, 2013 or any other enactment for the time being in force. Further 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 Provided that the amount of such fees shall not exceed the amount as prescribed in Companies Act, 2013.

Profit Linked Commission:

The Profit Linked Commission shall be paid as per applicable provisions of the Companies Act and Listing 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 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 Remuneration may consist of Fixed and Flexible Pay, Performance Based Incentive, Stock Options or in any other form as per HR Policies of the company.

➢ **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 Person 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 Person 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, 2022, the Committee comprises of three Directors viz. Mr. Dinesh Kumar Govil (DIN: 02402409), Mr. Yogesh Malhotra (DIN: 05332393) and Mr. Rajat Agrawal (DIN:00855284). During the year, the composition of the said committee has changed by appointing Mr. Yogesh Malhotra in place of Dr. Mahavir Prasad Agarwal. Further, Mr. Dinesh Kumar Govil being the non-executive director is heading the committee.

No. of Meetings

During the year under review 4 (Four) Meeting of Stakeholders 'Relationship Committee was held i.e. on 19th May, 2021, 30th July, 2021, 01st November, 2021 and 29th January, 2022.

Composition of Stakeholder Relationship Committee and Attendance during F.Y. 2021-22:

Name of the Member	Category	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Non-Executive - Independent Director, Chairperson	4	4
Mr. Yogesh Malhotra*	Executive Director, Member	4	2
Mr. Rajat Agrawal	Executive Director, Member	4	4
Dr. Mahavir Prasad Agarwal #	Executive Director, Member	4	0

*Appointed w.e.f 30th July, 2021

Removed w.e.f 30th July, 2021

The 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.

Compliance Officer: Mr. Nitin Gupta is Compliance Officer and Company Secretary of the Company.

Status of Investor Complaints: The Company received 29 (Twenty Nine) 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, 2022.

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, 2022 the committee comprises of following directors Mr.

Dinesh Kumar Govil (DIN: 02402409), Mrs. Chanchal Chadha Phadnis (DIN: 07133840) and Mr. Arun Kumar Gupta (DIN: 02749451).

No. of Meetings: The Committee met 1(one) time during the F.Y. 2021–22 on 28th March, 2022.

Composition of Compensation Committee and Attendance during F.Y. 2021-22:

Name of the Member	Category	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Non-Executive - Independent Director, Chairperson	1	1
Mrs. Chanchal Chadha Phadnis	Non-Executive - Independent Director, Member	1	1
Mr. Arun Kumar Gupta	Non-Executive - Independent Director, Member	1	1

Investment Committee:

The Company has an Investment Committee comprising of three Directors viz., Mr. Rajat Agrawal (DIN: 00855284), Mr. Yogesh Malhotra (DIN: 05332393) and Mr. Dinesh Kumar Govil (DIN: 02402409). During the year, the composition of the said committee has changed by appointing Mr. Yogesh Malhotra as Member of this committee in place of Dr.Mahavir Prasad Agarwal. 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 Mr. Yogesh Malhotra 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 the said committee has also changed by appointing Mr. Yogesh Malhotra as member of this committee in place of Dr. Mahavir Prasad Agarwal.

No. of Meetings: The Committee met 2 (two) times during the F.Y. 2021–22 on 30th July, 2021 and 28th March, 2022 respectively.

Composition of Corporate Social Responsibility Committee and Attendance during F.Y. 2021-22:

Name of the Member	Category	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Non-Executive - Independent Director, Chairperson	2	2
Mr. Rajat Agrawal	Executive Director, Member	2	1
Mr. Yogesh Malhotra*	Executive Director, Member	2	1
Dr. Mahavir Prasad Agarwal #	Executive Director, Member	2	1

*Appointed w.e.f 30th July,2021

Removed w.e.f 30th July, 2021

The terms of reference of the Corporate Social Responsibility Committee are broadly as follows:

- ❖ Formulate and recommend to the Board, the Corporate Social Responsibility policy of the company which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- ❖ To recommend the expenditure that can be incurred for CSR
- ❖ Monitor the Corporate Social Responsibility Policy of the company from time to time.
- ❖ Formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy, which shall include the following, namely:-
  - The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act and the manner of execution of such projects or programmes;
  - The modalities of utilization of funds and implementation schedules for the projects or programmes;
- ❖ 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/surplus accrued to the Company by way of CSR activities should be credited back to the community or CSR corpus and shall not form part of the business profit of a company.

During the year the Company has changed the terms of reference of Corporate Social Responsibility Committee. Further before the above changes the terms of reference of Corporate Social Responsibility Committee were as under:

- ❖ 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 (Renamed as 'Finance Committee' w.e.f 30th July,2021)

The Company has a Finance & Risk Management Committee comprising of three directors viz. Mr. Rajat Agrawal (DIN: 00855284), Dr. Mahavir Prasad Agarwal (DIN: 00188179) and Mr. Dinesh Kumar Govil (DIN: 02402409). Further w.e.f 30th July, 2021 the name of said committee has been changed from "Finance & Risk Management Committee" to "Finance Committee" and the composition of the said committee has also changed by appointing Mr. Yogesh Malhotra in place of Dr. Mahavir Prasad Agarwal. Further the terms of reference of the said committee has also been revised w.e.f 30th July, 2021.

No. of Meetings:

The Finance & Risk Management Committee met 2 (Two) times during the F.Y. 2021-22 on:

07th May, 2021

06th July, 2021

As the name of said committee has been changed from "Finance & Risk Management Committee" to "Finance Committee" w.e.f 30th July, 2021

Accordingly, The Finance Committee met 3 (Three) times during the F.Y. 2021-22 on:

17th September, 2021

13th December, 2021

08th March, 2022

Composition of Finance & Risk Management Committee (Renamed as 'Finance Committee' w.e.f 30th July, 2021) and Attendance during F.Y. 2021-22:

Name of the Member	Category	No. of Meetings held during the year	Meetings Attended
Dr. Mahavir Prasad Agarwal*	Executive Director, Member	5	1
Mr. Yogesh Malhotra #	Executive Director, Member	5	3
Mr. Rajat Agrawal	Executive Director, Member	5	5
Mr. Dinesh Kumar Govil	Non executive- Independent Director, Member	5	5

* Removed w.e.f. 30th July, 2021

Appointed w.e.f 30th July, 2021

Terms of Reference

- ❖ To approve Short-Term and Long-Term borrowings including Term Loans, Vehicle Loans, vendor financing services from Banks, Financial Institutions, Bodies Corporates, etc. for the business purposes of the Company upto an amount of ₹ 1500 Crores.
- ❖ 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 hedging of Commodity Price and Foreign Currency.
- ❖ To approve the granting of loans, 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.

Risk Management Committee

The Company has formed a Risk Management Committee w.e.f 19th May, 2021 pursuant to SEBI circular no. No. SEBI/ LAD-NRO/GN/2021/22 dated 5th May,2021 which comprises of three directors viz. Mr. Dinesh Kumar Govil (DIN: 02402409), Chairman, Mr. Rajat Agrawal (DIN: 00855284), Member and Mr. Yogesh Malhotra (DIN: 05332393), Member. The terms of reference of the said committee are as under:

No. of Meetings:

The Committee met 3 (Three) times during the F.Y. 2021-22 on:

30th July, 2021

01st November, 2021

28th March, 2022

Composition of Risk Management Committee and Attendance during F.Y. 2021-22:

Name of the Member	Category	No. of Meetings held during the year	Meetings Attended
Mr. Dinesh Kumar Govil	Non executive- Independent Director, Chairperson	3	3
Mr. Yogesh Malhotra	Executive Director, Member	3	3
Mr. Rajat Agrawal	Executive Director, Member	3	2

Terms of Reference

- ❖ To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks and impact) information and cyber security risks.

- Measures for risk mitigation
- Systems for internal controls and
- Business contingency plan

❖ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management and internal control systems;

❖ To Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

❖ To review the risk management policy on annual basis, including by considering the changing industry dynamics and evolving complexity;

❖ To keep the board informed about the nature and content of its discussions, recommendations and actions to be taken;

❖ The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the risk management committee, jointly with the nomination and remuneration committee The Risk Management Committee shall coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities.

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	27th AGM	20.09.2019	11:00 A.M.	"Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura, Tehsil- Phagi, Jaipur-303904	4
2	28th AGM	21.11.2020	01:00 P.M.	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office:"Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura, Tehsil- Phagi, Jaipur-303904	1
3	29th AGM	27.09.2021	01:00 P.M.	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office:"Saurabh", Chittora Road, Harsulia Mod, Diggi- Malpura, Tehsil- Phagi, Jaipur-303904	1

❖ No Extra-Ordinary General Meeting of the Shareholders was held during the year.

❖ None of the businesses proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

Resolution passed by way of conducting the Postal Ballot

During F.Y. 2021-22, 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 were passed on 23rd April, 2021 and on 11th February, 2022 by way of Postal Ballot:

A. Special Resolutions passed by Postal ballot on 23rd April, 2021:

1. Re-appointment of Dr. Mahavir Prasad Agarwal as a Chairman Cum Whole-Time Director of the Company.
2. Re-appointment of Mr. Rajat Agrawal as Managing Director of the Company.
3. Approval of Remuneration of Mr. Rajat Agrawal (DIN: 00855284), Managing Director in terms of Regulation 17(6) (E) of SEBI amended listing regulations.
4. Approval of Remuneration of Dr. Mahavir Prasad Agarwal (DIN: 00188179), Chairman Cum Whole Time Director in terms of Regulation 17(6) (E) of SEBI amended listing regulations.

The Company had appointed Mr. Pradeep Pincha, Practicing Company Secretary, as Scrutinizer for conducting the postal Ballot process, who submitted his report after completing the scrutiny and the results of the voting by Postal Ballot were declared on 23rd April, 2021 at the Corporate Office of the Company. The date of declaration of results was deemed to be date of passing of the said resolutions. The results of the postal ballot are also available at website of the company (www.gravitaindia.com). A synopsis of the results submitted by the scrutinizer is as under.

Resolution No.1: Re-appointment of Dr. Mahavir Prasad Agarwal as a Chairman Cum Whole-Time Director of the Company.

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of shares	Percentage	No. of shares	Percentage	No. of shares
Remote E-voting	25914307	100.00	12	0.00	00
TOTAL	**25914307**	**100.00**	**12**	**0.00**	**00**

Resolution No.2: Re-appointment of Mr. Rajat Agrawal as Managing Director of the Company.

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of shares	Percentage	No. of shares	Percentage	No. of shares
Remote Evoting	25914307	100.00	12	0.00	00
TOTAL	**25914307**	**100.00**	**12**	**0.00**	**00**

Resolution No.3: Approval of Remuneration of Mr. Rajat Agrawal (DIN: 00855284), Managing Director in terms of Regulation 17(6) (E) of SEBI amended listing regulations.

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of shares	Percentage	No. of shares	Percentage	No. of shares
Remote Evoting	25914107	99.999	212	0.001	00
TOTAL	**25914107**	**99.999**	**212**	**0.001**	**00**

Resolution No.4 Approval of Remuneration of Dr. Mahavir Prasad Agarwal (DIN: 00188179), Chairman Cum Whole Time Director in terms of Regulation 17(6) (E) of SEBI amended listing regulations.

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of shares	Percentage	No. of shares	Percentage	No. of shares
Remote Evoting	25914107	99.999	212	0.001	00
TOTAL	**25914107**	**99.999**	**212**	**0.001**	**00**

Procedure Followed:

I. The Company issued the Postal Ballot Notice dated 17th March, 2021 containing draft resolution together with the explanatory statement.

II. This Postal Ballot notice ("Notice") is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and whose name appear in the Register of Members/ Record of Depositories as on cut off date i.e. Friday, 19th March, 2021. A person who is not a member as on cut off date should treat this Postal Ballot Notice for information purpose only.

III. Members whose names appear on the Register of Members/List of Beneficial Owners as on Friday, 19th March, 2021 shall be entitled to avail the facility of remote e-voting.

IV. The Company has provided the facility to the Members to exercise their votes electronically and vote on all the resolutions through the e-voting service facility arranged by CDSL. The e-voting facility is available at the link www.evotingindia.com.

V. For shareholders opting for e-voting, the process and manner of e-voting will be as follows: The e-voting period commences from 09.00 A.M. on Thursday, 25th March, 2021 and ends at 05.00 P.M. on Friday 23rd April, 2021 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. Friday, 19th March, 2021, may cast their vote electronically.

VI. The results of the Postal Ballot / E-voting were declared on 23rd April, 2021. The date of declaration of the results of the Postal Ballot was taken as the date of passing of the resolution. The results of the Postal Ballot were also placed on the website of the Company at http://www.gravitaindia.com/investors/postal-ballots/

B. Special Resolutions passed by Postal ballot on 11th February. 2022:

1. Approval of capital raising by way of issuance of equity shares and/or equity linked securities by way of Qualified Institutions Placement ("QIP").
2. Re-Appointment of Mr. Yogesh Malhotra as Whole-Time Director cum CEO of the Company.

The Company had appointed Mr. Akshit Kumar Jangid, Practicing Company Secretary, as Scrutinizer for conducting the postal Ballot process, who submitted his report after completing the scrutiny and the results of the voting by Postal Ballot were declared on 11th February, 2022 at the Corporate Office of the Company. The date of declaration of results was deemed to be date of passing of the said resolutions. The results of the postal ballot are also available at website of the company (www.gravitaindia.com). A synopsis of the results submitted by the scrutinizer is as under.

Resolution No. 1 Approval of capital raising by way of issuance of equity shares and/or equity linked securities by way of Qualified Institutions Placement ("QIP").

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of share	Percentage	No. of shares	Percentage	No. of shares
Remote Evoting	50947016	99.998	1226	0.002	-
TOTAL	**50947016**	**99.998**	**1226**	**0.002**	**-**

Resolution No. 2: Re-Appointment of Mr. Yogesh Malhotra as Whole-Time Director cum CEO of the Company.

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of share	Percentage	No. of shares	Percentage	No. of shares
Remote Evoting	50947934	99.999	308	0.001	-
TOTAL	**50947934**	**99.999**	**308**	**0.001**	**-**

Procedure Followed:

I. The Company issued the Postal Ballot Notice dated 10th January, 2022 containing draft resolution together with the explanatory statement.

II. This Postal Ballot notice ("Notice") is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and whose name appear in the Register of Members/ Record of Depositories as on cut-off date i.e. 07th January, 2022 A person who is not a member as on cutoff date should treat this Postal Ballot Notice for information purpose only.

III. Members whose names appear on the Register of Members/List of Beneficial Owners as on 07th January, 2022 shall be entitled to avail the facility of remote e-voting.

IV. The Company has provided the facility to the Members to exercise their votes electronically and vote on all the resolutions through the e-voting service facility arranged by CDSL. The e-voting facility is available at the link www.evotingindia.com.

V. For shareholders opting for e-voting, the process and manner of e-voting will be as follows: The e-voting period commences from 09.00 A.M. on Thursday, 13th January, 2022 and ends at 05.00 P.M. on Friday, 11th February, 2022 during this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date cut-off date (record date) i.e. 07th January, 2022 may cast their vote electronically.

VI. The results of the Postal Ballot / E-voting were declared on 11th February, 2022. The date of declaration of the results of the Postal Ballot was taken as the date of passing of the resolution. The results of the Postal Ballot were also placed on the website of the Company at http://www.gravitaindia.com/investors/postal-ballots/

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, 2022.

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. Akshit Kumar Jangid, 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, 2022 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: 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: https://www.gravitaindia.com/wp-content/uploads/pdf/familiarization-programme.pdf

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

Details of compliance with mandatory requirements and adoption of non-mandatory requirements: 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.

Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-

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

Modified opinion in Auditor's Report: Company's financial statement for the year 2021-22 does not contain any modified audit opinion

Reporting of Internal Auditors: The Internal Auditors of the Company submit reports to the Audit Committee and have direct access to it.

Certificate of compliance of Corporate Governance: The Company has obtained a certificate affirming the compliances of Corporate Governance from Pinchaa & Co., Practicing Company Secretaries, Jaipur and the same is attached to this Report. Annual Report 2021-22.

During the year under review the company has not raised any funds through preferential allotment or qualified institutions placement as specified under SEBI Regulations.

Web link for Policies: The Policies adopted by company can be accessed by following web link: For Policy on determining Material Subsidiaries:

https://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

Vigil Mechanism/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**)**.

Sexual Harassment Policy: 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 2021-22.

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 'Financial Express', 'Economic Times', 'Business Standard', Indian Express' in English, 'Gujarat Samachar', 'Sandesh' in Gujarati and 'Business Remedies' 'Nafa Nuksan' (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 Corporate. 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 corporate. 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 2021-22. 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	Wednesday, 28th September, 2022 through video conferencing / OAVM.
Venue	Saurabh, Chittora Road, Harsulia Mod, DiggiMalpura Road, Tehsil-Phagi, Jaipur- 303904 (Rajasthan)
Time	01:00 pm
Financial Year	2021-22
Book Closure Dates	Friday, 23rd September, 2022 to Wednesday, 28th September, 2022
Rate of Dividend	NA
Date of Payment	NA

b) Tentative Financial Calendar (For FY 2021-22)

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 2021-22. 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**

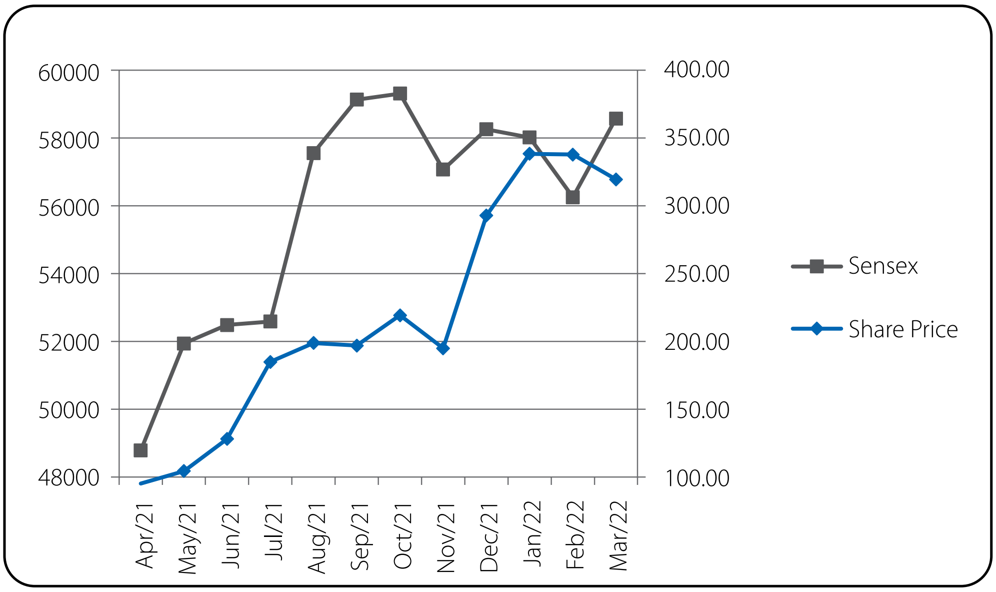
National Stock Exchange of India Ltd. : **GRAVITA**

e) **Stock Market Data**

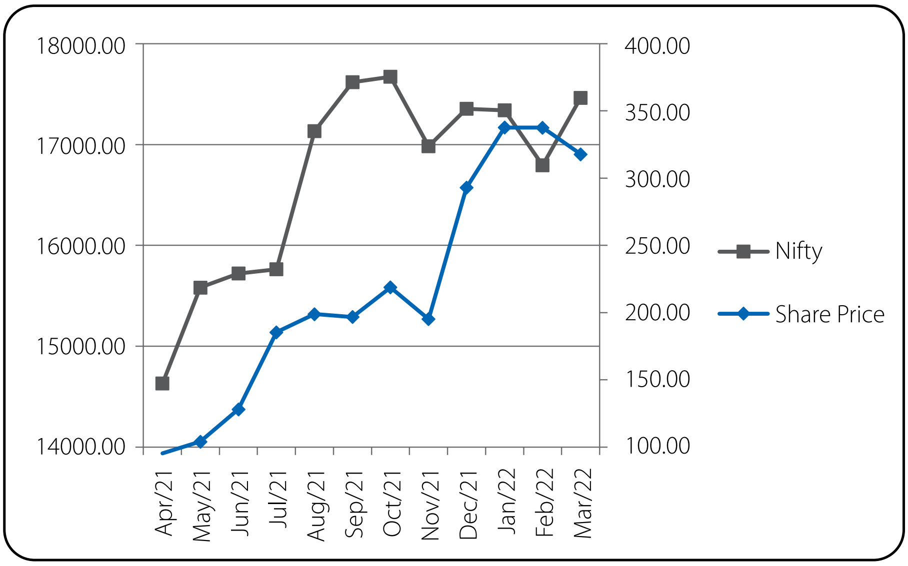
i. **Market price data for the Financial Year 2021-22**

Year and Month	BSE			NSE		
	High (Rs)	Low (Rs)	Volume in '000 (in No.)	High (Rs)	Low (Rs)	Volume in '000 (in No.)
April 2021	105	73	343.905	105.40	81.00	3070.715
May 2021	117.45	92.55	652.583	118.00	92.40	6865.855
June 2021	134.35	100	2158.217	134.40	100.60	15223.562
July 2021	187.55	123.55	2849.375	187.70	123.50	21297.703
Aug 2021	218.55	162.5	2043.539	218.70	163.50	18736.302
Sept 2021	221.35	186.95	1607.462	221.45	187.10	11156.545
Oct 2021	231.55	194.4	1608.201	231.90	194.30	12806.641
Nov 2021	233	189.25	1220.775	234.00	188.45	9027.312
Dec 2021	304.65	194.3	2066.191	305.80	194.00	19756.421
Jan 2022	362.5	289.7	1069.956	355.40	288.10	9866.663
Feb 2022	398.2	327.85	1051.337	398.00	329.10	8190.322
Mar 2022	375	319.45	584.011	375.00	316.40	3128.381

ii. **Performance of the Company's Share Price vis-à-vis BSE Sensex during the year 2021-22:**

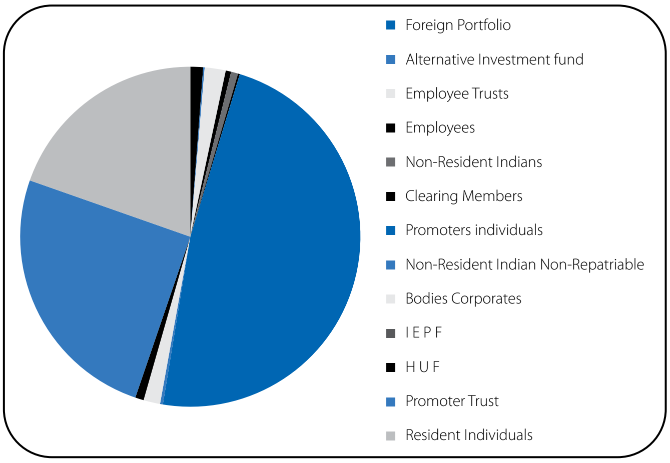


iii. Performance of the Company's Share Price vis-à-vis NSE Nifty during the year 2021-22:



f) Shareholding Pattern as on 31st March, 2022:

Category	No. of Shares	%age
Foreign Portfolio	838267	1.21
Alternative Investment fund	99308	0.14
Resident Individuals	13543229	19.62
Employee Trusts	1380500	2.00
Employees	352703	0.51
Non-Resident Indians	465203	0.67
Clearing Members	120274	0.17
Promoters Individuals	33049789	47.87
Non-Resident Indian Non-Repatriable	186960	0.27
Bodies Corporates	1092521	1.58
I E P F	698	Negligible
H U F	559439	0.81
Promoter Trust	17348025	25.13
Foreign Nationals	998	Negligible
Grand Total	**69037914**	**100.00**



g) Distribution Schedule as on 31st March, 2022

Nominal Value of Each Equity Share is Rs 2/-

No. of Equity Shares Held	No. of Share Holders	% of Share holders	No. of Shares	Amount (In Rs.)	% of Total Shares
1-5000	44037	99.18	7680320	15360640.00	11.12
5001- 10000	193	0.43	1415175	2830350.00	2.05
10001- 20000	86	0.19	1206960	2413920.00	1.75
20001- 30000	34	0.08	857232	1714464.00	1.24
30001- 40000	11	0.02	378823	757646.00	0.55
40001- 50000	5	0.01	231253	462506.00	0.33
50001- 100000	23	0.05	1581135	3162270.00	2.29
100001 & Above	14	0.03	55687016	111374032.00	80.66
TOTAL	**44403**	**100.00**	**69037914**	**138075828.00**	**100.00**

h) Corporate Identification 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) 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, 2022.

k) Share Transfer System

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

l) 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, 2022 and the promoters holding of 73.00% is completely held in the dematerialized form as on 31st March,2022. 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.

Disclosure with respect to demat suspense account/unclaimed suspense account

As on 31st March, 2022, there are no outstanding shares lying in the demat suspense account/unclaimed suspense account.

m) 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, KFIN TECHNOLOGIES LIMITED for the purpose of receiving soft copies of various communications including the Annual Report.

n) 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 2021-22.

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

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

p) Credit Rating:

Rating Agency	Facility	Ratings/Outlook
Brickwork Ratings India Private Limited	Fund Based	BWR A Outlook: Stable Upgrade
	Non-Fund Based	BWR A Outlook: Stable Upgrade BWR A2+ Upgrade

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
Mr. N Shyam Kumar
KFin Technologies Ltd
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032
Phone No. 040-67162222
Email: compliance.corp@kfintech.com
Web site: www.Kfintech.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 to its Statutory Auditors:

During F.Y. 2021-22 the company has paid following fees to its Statutory Auditors.

S. No.	Particulars	Amount Paid in F.Y. 21-22 (₹ In Lacs)
1	Statutory Audit Fees and Limited Review Report Fees	45.50
2	Certification Charges	3.15
3	Certification charges for fund raising activity	32.00
4	Out of Pocket expenses	3.98
Total		**84.63**

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 Yogesh Malhotra, Whole Time Director & 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 2022.

For Gravita India Limited

Date: 06.04.2022
Place: Jaipur

Yogesh Malhotra
(Whole-time Director & CEO)
DIN: 05332393

Rajat Agrawal
(Managing Director)
DIN: 00855284

Certificate on Corporate Governance

To the Members,
Gravita India Limited

We have examined the compliance of the conditions of Corporate Governance by Gravita India Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI 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 in all material respect 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 **Pinchaa & Co.**
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M.No. FCS 11285
C. P. No. 16300
UDIN: F011285D000411181

Dated: 27th May, 2022
Place: Jaipur

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-303 904

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, Diggi-Malpura, Road Phagi, Rajasthan-303 904 (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, 2022 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.	Mahavir Prasad Agarwal	00188179	27/03/2007
2.	Rajat Agrawal	00855284	04/08/1992
3.	Dinesh Kumar Govil	02402409	30/06/2009
4.	Arun Kumar Gupta	02749451	11/08/2009
5.	Yogesh Malhotra	05332393	31/03/2019
6.	Chanchal Chadha Phadnis	07133840	24/03/2015

Ensuring the eligibility of 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 **Pinchaa & Co.**
Company Secretaries
Firm's U.C.N. P2016RJ051800
Firm's PR Certificate No. 832/2020

Akshit Kr. Jangid
Partner
M.No. FCS 11285
C. P. No. 16300
UDIN: F011285D000411542

Dated: 27th May, 2022
Place: Jaipur

CEO/CFO Certification

To
The Board of Directors
Gravita India Limited
Jaipur

We, Yogesh Malhotra, CEO & Whole-time Director (DIN: 05332393), 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,2022 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**

Dated: 19th May,2022
Place: Jaipur

Yogesh Malhotra
(CEO & Whole-time Director)
DIN: 05332393

Sunil Kansal
(CFO)

Independent Auditor's Report

To the Members of Gravita India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Gravita India Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors as referred to in paragraph 15 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and that obtained by the other auditors, in terms of their reports referred to in paragraph 15 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, 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.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer note 24 to the standalone financial statements. The Revenues of the Company consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts.	**Our audit work included, but was not limited to, the following procedures:** a) Assessed the appropriateness of the Company's revenue recognition accounting policies in accordance with Ind AS 115 – Revenue from contracts with customers; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue; c) Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, customer analysis, etc.; d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents;

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
Revenue recognition process also involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of revenue recognized. The Company also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue. Considering the materiality of amounts involved and significant judgements involved, the same has been considered as a key audit matter for the current year's audit.	e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards; f) Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period; g) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; h) Assessed if there is any modification to, or other impact on the contracts with customers due to COVID 19 outbreak; i) Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and j) Ensured the adequacy and appropriateness of disclosures made in the standalone financial statements in accordance with the requirements of Ind AS 115.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the 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 in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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 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 with reference to standalone financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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; and

    - 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.

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

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

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Independent Auditor's Report

Other Matter

15. We did not audit the financial statements of three partnership firms included in the standalone financial statements of the Company whose financial information reflects total net loss after tax of ₹ 4.07 crores for the year ended on that date, as considered in the standalone financial statements. These financial statements have been audited by the 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 partnership firms, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid partnership firms, is based solely on the report of such other auditors.

    Our opinion above on the standalone financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) with respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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

        i. the Company, as detailed in note 35(a) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022.;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

        iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The interim dividend declared and paid by the Company during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJFWTG4275

Place: Jaipur
Date: May 19, 2022

Annexure A to the Independent Auditor's Report

Annexure A referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Gravita India Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and right of use assets.

(B) The Company has maintained proper records showing full particulars of other intangible assets.

(b) The property, plant and equipment, capital work-in-progress and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of land and building are disclosed below, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

Description of Immovable Property	Location of Immovable Property	Gross carrying value as at 31st March 2022
Land	Khasra no. 209/1/5/3, 209/1/4/1, 209/1/5/1, 209/1/5/2 at Jai Chand ka bas, Harsulia Mod, Diggi Malpura Road, Phagi, Jaipur.	₹ 2.26 crores
Building		₹ 23.89 crores
Land	Survey no 233/15, to 233/30 Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah-post Chittoor, Andhra Pradesh	₹ 2.62 crores
Building		₹ 20.89 crores
Building	Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.	₹ 12.16 crores
Building	Flat no 302, Rajputana Towers, Plot No A27-B, Shanti Path, Jaipur	₹ 0.15 crores
Building	Flat no 401, Rajputana Towers, Plot No A27-B, Shanti Path, Jaipur	₹ 0.87 crores
Building	Flat no 403, Rajputana Towers, Plot No A27-B, Shanti Path, Jaipur	₹ 0.21 crores

(d) The Company has not revalued its Property, Plant and Equipment, Right of Use assets and other intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for inventory in transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

Annexure A to the Independent Auditor's Report

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments and guarantees, as applicable. Further, the Company has not entered into any transaction covered under section 185 in respect of loans, investments, guarantees and security and section 186 of the Act in respect of security.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	0.53	0.04	2010-11 to 2014-15	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	0.02	0.04	2015-16 to 2016-17	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	1.15	0.09	2014-15 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.65	0.05	2014-15 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.13	0.01	2014-15 to 2017-18	Appellate Authority till Commissioner level

Annexure A to the Independent Auditor's Report

Name of the statute	Nature of dues	Gross Amount (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.04	0.00*	2016-17	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.24	0.02	2014-15 to 2017-18	Appellate Authority till Commissioner level
Central Excise Act, 1944	Excise Duty	0.05	-	2013-14	Appellate Authority till Commissioner level
Customs Act, 1962	Custom Duty	0.83	0.14	2011-12 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	0.34	0.02	2012-13 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	0.03	-	2015-16	Custom Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom Duty	0.05	-	2014-15	Custom Excise and Service Tax Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Service Tax	0.05	0.00*	2018-19	Commissioner (Appeals)
Goods and Services Tax Act, 2017	Goods and Service Tax	0.01	0.00*	2020-21	Assistant Commissioner (Appeals)
Goods and Services Tax Act, 2017	Goods and Service Tax	0.07	0.01	2017-18	Goods and Service Tax Appellate Tribunal

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

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and/or other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

Annexure A to the Independent Auditor's Report

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and associate company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to

Annexure A to the Independent Auditor's Report

our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJFWTG4275

Place: Jaipur
Date: May 19, 2022

Annexure B to the Independent Auditor's Report

Annexure B to the Independent Auditor's Report of even date to the Members of Gravita India Limited on the Standalone Financial Statements for the year ended March 31, 2022.

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Gravita India Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements,

Annexure B to the Independent Auditor's Report

including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJFWTG4275

Place: Jaipur
Date: May 19, 2022

Standalone Balance Sheet

as at March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
	Non - current assets			
	Property, plant and equipment	2	132.41	107.55
	Capital work-in-progress	3	15.10	4.66
	Right-of-use assets	4	6.94	7.38
	Other intangible assets	5	0.20	0.39
	Financial assets			
	- Investments	6	9.33	10.08
	- Loans	7	11.70	12.86
	- Other financial assets	8	2.37	2.44
	Other non-current assets	9	4.62	4.27
	Total non-current assets		**182.67**	**149.63**
	Current assets			
	Inventories	10	358.47	259.74
	Financial assets			
	- Investments	6	0.05	0.05
	- Trade receivables	11	101.23	65.29
	- Cash and cash equivalents	12	0.11	1.49
	- Bank balances other than cash and cash equivalents	13	6.43	5.93
	- Other financial assets	8	22.32	24.25
	Current tax assets (net)	14(a)	-	0.03
	Other current assets	9	87.18	80.46
	Total current assets		**575.79**	**437.24**
	TOTAL ASSETS		**758.46**	**586.87**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	Equity share capital	15	13.81	13.81
	Other equity	16	194.08	175.21
	Total equity		**207.89**	**189.02**
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	- Borrowings	17	106.60	43.48
	- Lease liabilities	18	2.41	2.55
	- Other financial liabilities	19	4.73	-
	Provisions	20	4.15	3.57
	Deferred tax liabilities (net)	21	0.91	1.68
	Other non-current liabilities	22	0.16	0.17
	Total non-current liabilities		**118.96**	**51.45**
	Current liabilities			
	Financial liabilities			
	- Borrowings	17	211.97	164.73
	- Lease liabilities	18	0.52	0.79
	- Trade payables	23		
	Total outstanding due of micro enterprises and small enterprises; and		1.08	0.25
	Total outstanding due of creditors other than micro enterprises and small enterprises		94.68	131.41
	- Other financial liabilities	19	109.92	38.33
	Other current liabilities	22	11.37	8.68
	Provisions	20	0.86	0.43
	Current tax liabilities (net)	14(b)	1.21	1.78
	Total current liabilities		**431.61**	**346.40**
	Total liabilities		**550.57**	**397.85**
	TOTAL EQUITY AND LIABILITIES		**758.46**	**586.87**

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Standalone Statement of Profit and Loss

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Income**			
	Revenue from operations	24	1,894.18	1,226.42
	Other income	25	7.29	12.26
	Total income (I)		**1,901.47**	**1,238.68**
II	**Expenses**			
	Cost of materials consumed	26	1,441.44	999.78
	Purchases of traded goods	27	231.45	156.85
	Changes in inventories of finished goods, work-in-progress and traded goods	28	(10.06)	(78.80)
	Employee benefits expense	29	69.91	46.81
	Finance costs	30	27.87	24.11
	Depreciation and amortisation expense	31	8.93	8.57
	Other expenses	32	83.18	40.97
	Total expenses (II)		**1,852.72**	**1,198.29**
III	**Profit before tax (I - II)**		**48.75**	**40.39**
IV	**Tax expense**	33		
	- Current tax (including earlier years)		9.68	7.31
	- Deferred tax (credit)/ charge		(0.68)	0.91
	Total tax expense		**9.00**	**8.22**
V	**Profit for the year (III - IV)**		**39.75**	**32.17**
VI	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		0.05	(0.04)
	Income tax on above items		(0.02)	0.01
	Items that will be reclassified to profit or loss			
	Change in fair value of hedging instruments		(0.31)	0.51
	Income tax on above items		0.11	(0.18)
	Total other comprehensive income, net of tax		**(0.17)**	**0.30**
VII	**Total comprehensive income for the year (V + VI)**		**39.58**	**32.47**
VIII	**Earnings per share**	36		
	Basic (₹)		5.76	4.66
	Diluted (₹)		5.76	4.66

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Statemt of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Standalone Statement of Changes in Equity

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Equity share capital (refer note 15)

Particulars	Balance as at April 1, 2020	Changes during the year	Balance as at March 31, 2021	Changes during the year	Balance as at March 31, 2022
Equity share capital	13.81	-	13.81	-	**13.81**

(b) Other equity (refer note 16)

Particulars	Reserves and surplus				
	Securities premium	General reserve	Retained earnings	Cash flow hedging reserve	Total
Balance as at April 1, 2020	**42.70**	**5.18**	**102.98**	**(0.52)**	**150.34**
Profit for the year	-	-	32.17	-	32.17
Other comprehensive income for the year					
Remeasurement of the net defined benefit obligation, net of tax	-	-	(0.03)	-	(0.03)
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	0.33	0.33
Total comprehensive income for the year	**-**	**-**	**32.14**	**0.33**	**32.47**
Transactions with owners in their capacity as owners					
Interim equity dividend paid (refer note 37)	-	-	(7.60)	-	(7.60)
Balance as at March 31, 2021	**42.70**	**5.18**	**127.52**	**(0.19)**	**175.21**
Profit for the year	-	-	39.75	-	39.75
Other comprehensive income for the year					
Remeasurement of the net defined benefit obligation, net of tax	-	-	0.03	-	0.03
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	(0.20)	(0.20)
Total comprehensive income for the year	**-**	**-**	**39.78**	**(0.20)**	**39.58**
Transactions with owners in their capacity as owners					
Interim equity dividend paid (refer note 37)	-	-	(20.71)	-	(20.71)
Balance as at March 31, 2022	**42.70**	**5.18**	**146.59**	**(0.39)**	**194.08**

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

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Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Standalone Statement of cash flows

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	**48.75**	**40.39**
Adjustments for:		
Depreciation and amortisation expense	8.93	8.57
Loss on sale/discard of property, plant and equipment	0.89	2.63
Finance cost	27.87	24.04
Corporate guarantee expenses	-	0.07
Corporate guarantee income	(0.07)	(0.05)
Incentive income	(0.02)	(0.03)
Interest income on bank deposits	(0.26)	(0.30)
Interest income on others	(1.20)	(1.08)
Impairment of investments	0.75	0.42
Liabilities/ provisions no longer required written back	(0.81)	(2.83)
Share of loss from partnership firms (net)	4.07	4.83
Allowance for expected credit loss on financial assets (including write off)	3.57	1.46
Employees stock appreciation rights expense	4.73	-
Unrealised loss/(gain) on derivatives measured at fair value through profit and loss	4.70	(4.01)
Operating profit before working capital changes	**101.90**	**74.11**
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(98.72)	(105.66)
Trade receivables	(37.01)	(6.70)
Other current and non-current assets	(6.74)	18.38
Other non current and current financial assets	1.48	(4.44)
Adjustments for change in operating liabilities:		
Trade payables	(35.09)	88.45
Other current and non-current financial liabilities	59.48	(12.43)
Other current and non-current liabilities	2.69	7.00
Provisions	1.07	0.34
Cash (used in) / Cash generated from operations	**(10.94)**	**59.05**
Income tax paid (net of refunds)	(10.22)	(5.92)
Net cash flow (used) in /generated from operating activities (A)	**(21.16)**	**53.13**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(44.62)	(13.88)
Proceeds from sale of property, plant and equipment	0.35	0.07
Movement in current investments (net)	3.55	13.84
Loans given to related parties	0.24	(3.16)
Interest received	0.42	0.46
Movement in bank balances not considered as cash and cash equivalents (net)	(0.76)	0.47
Net cash used in investing activities (B)	**(40.82)**	**(2.20)**

Standalone Statement of cash flows

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
C. Cash flow from financing activities		
Proceeds from non-current borrowings	103.84	33.92
Repayment of non-current borrowings	(40.11)	(20.82)
Proceeds from/ (repayment of) current borrowings (net)	46.93	(31.43)
Payment of lease liabilities	(1.18)	(1.21)
Finance cost paid (excluding in relation to lease liabilities)	(28.17)	(23.15)
Dividends paid	(20.71)	(7.60)
Net cash used in financing activities (C)	**60.60**	**(50.29)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(1.38)**	**0.64**
Cash and cash equivalents at the beginning of the year	1.49	0.85
Cash and cash equivalents at the end of the year (refer note 12)	**0.11**	**1.49**

The above standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash flow'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

Note 1 - Corporate information, statement of compliance with Ind AS, basis of preparation and summary of significant accounting policies

(A) Corporate Information

Gravita India Limited (the 'Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956 applicable in India. 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 carries out smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc. Further, Company has also entered in the PET product manufacturing.

Amount in the financial statements are presented in ₹ Crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to round off are expressed as zero. The financial statements are presented in Indian Rupees (₹) which is also functional currency of the company.

These financial statements for the year ended March 31, 2022 are approved and adopted by the Board of Directors in their meeting held on May 19, 2022. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

(B) Statement of compliance with Ind AS and basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards 'hereinafter referred to as the Ind AS' as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and other related provisions of the act.

The Company has uniformly applied the accounting policies during the period presented.

These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended March 31, 2022 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on May 19, 2022. The financial statements have been prepared on accrual and going concern basis.

The financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations; and
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

(C) Significant accounting policies

I. 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.

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other assets are classified as non-current.

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

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

II. Property, plant and equipment

Recognition and initial measurement

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

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

Subsequent measurement (depreciation and useful lives)

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

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Computer and accessories	3- 6 years
Office equipment	5 years

Freehold land is measured at cost and is not depreciated.

Property, plant and equipment costing up to ₹ 5,000 each are fully depreciated in the year of purchase.

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

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

De-recognition

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

Capital work-in-progress

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

III. Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation and useful lives)

All finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	3-5 years

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

IV. Impairment of non-financial assets

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

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

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

V. Borrowing costs

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

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

VI. Inventories

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

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

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

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

VII. Foreign currency translations

Functional and presentation currency

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

Transactions and balances

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

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

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

VIII. Leases

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

Where the Company is the lessee

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

i. the contract involves the use of an identified asset;

ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and

iii. the Company has the right to direct the use of the asset.

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

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

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

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

IX. Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

X. Revenue Recognition

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

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

Sale of products (including scrap sales and service income):

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

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

Revenue is measured at fair value of consideration received or receivables and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax.

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

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

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

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

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the 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.

Profit/ (Loss) from partnership firms:

Profit/ (Loss) from partnership firms which are in the same line of operation is considered as operating Income. The share of profit/ (loss) in partnership firm is recognised as income in the Statement of Profit and Loss as and when the right to receive the profit/ (loss) 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.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

Dividend income:

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

Export Incentive:

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

XI. Operating expenses

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

XII. Equity, reserves and dividend payment

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

XIII. Qualified Institutional Placement related transaction costs

The expenses pertaining to qualified institutional placement ("QIP") includes expenses pertaining to issue of equity shares, has been accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares has been deferred until successful consummation of QIP upon which it shall be deducted from equity;
- Incremental costs that are directly attributable to issuing new shares, where issue has been abandoned has been recorded as an expense in the statement of profit and loss; and
- Incremental costs that are not directly attributable to issuing new shares, has been recorded as an expense in the statement of profit and loss as and when incurred.

XIV. Financial Instruments

Initial measurement

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

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

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

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

Financial assets

Classification and subsequent measurement

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

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

b. Financial assets at fair value

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

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

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

De-recognition of financial assets

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

Financial liabilities

Subsequent measurement

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

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

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

XV. Hedge accounting

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:

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

XVI. Impairment of financial assets

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

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

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

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

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

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

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

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

Other financial assets

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

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

XVII. Investment in subsidiaries and associates

In accordance with Ind AS 27 – Separate Financial Statements, investments in equity instruments of subsidiaries and associates can be measured at cost or at fair value in accordance with Ind AS 109. The Company has opted to measure such investments at cost at initial recognition.

Subsequently, such investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

XVIII. 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.

XIX. Post-employment, long term and short-term employee benefits

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

Defined Contribution plan

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

Defined benefit plan

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

Other long-term employee benefits

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

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

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

Short term employee benefit

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

XX. Share based payments

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

Cash settled share-based payments

Gravita Employee Welfare Trust has been set up, for administration of Stock Appreciation Rights Scheme 2017 of the Group. The Trust buy shares of the Holding Company from the market, for granting them to its employees and are treated as treasury shares.

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

XXI. Provisions, contingent assets and contingent liabilities

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

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

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

XXII. Earnings per share

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

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

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

XXIII. Taxes

Income taxes

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

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

Deferred tax

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

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

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

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

XXIV. Cash and cash equivalents

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

XXV. Dividend payment

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

XXVI. Government grants

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

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

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

XXVII.Segment reporting

In accordance with Ind AS 108, the operating segments used to present segment information are identified

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

XXVIII. Use of estimates and judgement

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

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

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

c. **Allowance for expected credit loss:** The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Company has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

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

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

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

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

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

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

j. **Fair value measurements**

Management applies valuation techniques to determine fair value of equity shares (where active market quotes are not available) and stock option. This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of equity shares or stock options.

k. **Recoverability of advances/ receivables:**

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

XXIX. Recent accounting pronouncements:

(a) Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorised, have been considered in preparing these standalone financial statements.

(b) Recent accounting pronouncements

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 2 - Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Office equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
As at April 1, 2020	**8.84**	**57.59**	**47.26**	**5.70**	**1.13**	**2.15**	**6.45**	**129.12**
Additions during the year	-	1.32	3.18	0.24	0.14	-	3.76	8.64
Disposals/ adjustments	-	(0.34)	(4.19)	(0.07)	(0.03)	(0.01)	(0.21)	(4.85)
As at March 31, 2021	**8.84**	**58.57**	**46.25**	**5.87**	**1.24**	**2.14**	**10.00**	**132.91**
Additions during the year	3.47	11.37	14.40	1.09	0.48	0.14	2.53	33.48
Disposals/ adjustments	-	(0.07)	(1.42)	(0.05)	(0.01)	-	(0.62)	(2.17)
As at March 31, 2022	**12.31**	**69.87**	**59.23**	**6.91**	**1.71**	**2.28**	**11.91**	**164.22**
Accumulated depreciation								
As at April 1, 2020	**-**	**5.10**	**9.28**	**1.78**	**0.92**	**0.44**	**2.70**	**20.22**
Charge for the year	-	2.06	3.34	0.72	0.11	0.22	0.85	7.30
Disposals/ adjustments	-	(0.05)	(1.92)	(0.04)	(0.03)	(0.01)	(0.11)	(2.16)
As at March 31, 2021	**-**	**7.11**	**10.70**	**2.46**	**1.00**	**0.65**	**3.44**	**25.36**
Charge for the year	-	2.17	3.20	0.91	0.13	0.22	1.15	7.78
Disposals/ adjustments	-	(0.02)	(0.86)	(0.04)	(0.01)	-	(0.40)	(1.33)
As at March 31, 2022	**-**	**9.26**	**13.04**	**3.33**	**1.12**	**0.87**	**4.19**	**31.81**
Net carrying value								
As at March 31, 2021	**8.84**	**51.46**	**35.55**	**3.41**	**0.24**	**1.49**	**6.56**	**107.55**
As at March 31, 2022	**12.31**	**60.61**	**46.19**	**3.58**	**0.59**	**1.41**	**7.72**	**132.41**

(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.

(ii) Refer note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3 - Capital work-in-progress

Particulars	Balance as at April 1, 2020	Addition during the year	Capitalisation during the year	Balance as at March 31, 2021	Addition during the year	Capitalisation during the year	Balance as at March 31, 2022
Capital work-in-progress	2.82	3.86	(2.02)	4.66	23.35	(12.91)	**15.10**

(i) Ageing schedule of capital work-in-progess is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Project in Progress	15.10	-	-	-	15.10
Project temporarily suspend	-	-	-	-	-
Total	**15.10**	**-**	**-**	**-**	**15.10**
As at 31 March 2021					
Project in Progress	4.66	-		-	4.66
Project temporarily suspend	-	-	-	-	-
Total	**4.66**	**-**	**-**	**-**	**4.66**

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.

(iii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 4 - Right-of-use assets

Particulars	Land	Buildings	Plant and machinery	Total
Gross carrying amount				
As at April 1, 2020	**6.82**	**0.34**	**1.82**	**8.98**
Additions during the year	-	0.41	-	0.41
Disposals/ adjustments	-	-	-	-
As at March 31, 2021	**6.82**	**0.75**	**1.82**	**9.39**
Additions during the year	-	0.37	0.08	0.45
Disposals/ adjustments	-	-	-	-
As at March 31, 2022	**6.82**	**1.12**	**1.90**	**9.84**
Accumulated depreciation				
As at April 1, 2020	**0.26**	**0.20**	**0.54**	**1.00**
Charge for the year	0.29	0.18	0.54	1.01
Disposals/ adjustments	-	-	-	-
As at March 31, 2021	**0.55**	**0.38**	**1.08**	**2.01**
Charge for the year	0.25	0.11	0.53	0.89
Disposals/ adjustments	-	-	-	-
As at March 31, 2022	**0.80**	**0.49**	**1.61**	**2.90**
Net carrying value				
As at March 31, 2021	**6.27**	**0.37**	**0.74**	**7.38**
As at March 31, 2022	**6.02**	**0.63**	**0.29**	**6.94**

(i) Refer note 17 for details of leasehold land situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur, mortgaged as security with banks/ financial institutions.

(ii) Also, refer note 18 for detailed disclosures related to Ind AS 116 'Leases'.

Note 5 - Other intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
As at April 1, 2020	**1.98**	**1.98**
Additions during the year	0.10	0.10
Disposals/ adjustments	(0.06)	(0.06)
As at March 31, 2021	**2.02**	**2.02**
Additions during the year	0.07	0.07
Disposals/ adjustments	-	-
As at March 31, 2022	**2.09**	**2.09**
Accumulated amortisation		
As at April 1, 2020	**1.43**	**1.43**
Charge for the year	0.26	0.26
Disposals/ adjustments	(0.06)	(0.06)
As at March 31, 2021	**1.63**	**1.63**
Charge for the year	0.26	0.26
Disposals/ adjustments	-	-
As at March 31, 2022	**1.89**	**1.89**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Computer Software	Total
Net carrying value		
As at March 31, 2021	**0.39**	**0.39**
As at March 31, 2022	**0.20**	**0.20**

Note 6 - Investments

	Particulars	As at March 31, 2022		As at March 31, 2021	
		Number of Shares	Amount	Number of Shares	Amount
I.	**Non-current investments**				
	Investment in equity instruments, carried at cost				
	Investment in subsidiaries (unquoted) (fully paid shares)				
	Gravita Infotech Limited Shares of face value of ₹ 10 each (previous year: ₹ 10 each)	2,00,000	0.26	2,00,000	0.26
	Gravita Ghana Limited(iii) Shares of face value of GHS 1 each (previous year: GHS 1 each)	3,14,363	1.24	3,14,363	1.24
	Gravita Global Pte Limited Shares of face value of USD 1 each (previous year: USD 1 each)	13,45,000	7.28	13,45,000	7.28
	Noble Build Estate Private Limited(iii) Shares of face value of ₹ 10 each (previous year: ₹ 10 each)	19,990	0.75	19,990	0.75
	Total (a)		**9.53**		**9.53**
	Investment in partnership firms (unquoted) (ii)				
	M/s Gravita Metal Inc		0.95		0.95
	M/s Gravita Infotech		0.01		0.01
	Total (b)		**0.96**		**0.96**
	Investment in limited liability partnership (LLP) (unquoted)(ii)				
	*M/s Recycling Infotech LLP		0.01		0.01
	Total (c)		**0.01**		**0.01**
	Investment in government securities (unquoted) (carried at amortised cost)				
	*National saving certificate		0.00		0.00
	Total (d)		**0.00**		**0.00**
	Total non-current investments (e) = (a + b + c + d)		**10.50**		**10.50**
	Less: Provision for impairment (other than temporary)(iii)		(1.17)		(0.42)
	Total Provision (f)		**(1.17)**		**(0.42)**
	Total non-current investments (g) = (e + f)		**9.33**		**10.08**
II.	**Current investments, carried at cost**				
	Investment in partnership firms (unquoted)(ii)				
	M/s Gravita Infotech		0.05		0.05
	Total current investments		**0.05**		**0.05**
	Aggregate amount of unquoted investments		10.55		10.55
	Aggregate amount of impairment in value of investments		(1.17)		(0.42)

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

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(i) Refer note 40 and 41 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(ii) As current capital account is covered by partnership deed, the closing receivable balance in current capital account has been disclosed as current investments and closing payable balance in current capital account has been disclosed as other current financial liabilities.

(iii) Provision for impairment (other than temporary) is on equity investment in wholly owned subsidiaries i.e. Gravita Ghana Limited ₹ 0.42 Crores and Noble Build Estate Private Limited ₹ 0.75 Crores.

(iv) Investment in subsidiaries (including partnership firms and LLP) are measured at cost as per Ind AS 27, 'Separate financial statements'.

(v) **Other details relating to Investment in partnership firms/ LLP**

Particulars	As at March 31, 2022		As at March 31, 2021	
	% share in profits/ loss	Amount of Investment in capital	% share in profits/ loss	Amount of Investment in capital
Investment in M/s Gravita Metal Inc				
Gravita India Limited	95.00%	0.95	95.00%	0.95
Gravita Infotech Limited	5.00%	0.05	5.00%	0.05
Total	**100.00%**	**1.00**	**100.00%**	**1.00**
Investment in M/s Gravita Infotech				
Gravita India Limited	49.00%	0.01	49.00%	0.01
Gravita Infotech Limited	51.00%	0.01	51.00%	0.01
Total	**100.00%**	**0.02**	**100.00%**	**0.02**
Investment in M/s Recycling Infotech LLP				
Gravita India Limited	51.00%	0.01	51.00%	0.01
Gravita Infotech Limited	49.00%	0.01	49.00%	0.01
Total	**100.00%**	**0.02**	**100.00%**	**0.02**

Note 7 - Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current (unsecured)		
Loans receivable (refer note 34 and 45)[(i)]		
- Considered good	11.70	12.86
- Credit impaired	-	-
Less: Loss allowance	-	-
Total	**11.70**	**12.86**

(i) Loan amounting to ₹ 1.50 Crores of Noble Buildestate Private Limited has been written off during current year.

(ii) Refer note 17 for hypothecation as securities with bank/financial institutions on current loans.

(iii) Refer note 40 and 41 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 8 - Others financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deposits with bank (with remaining maturity more than 12 months)[i]	0.27	0.02
Security deposits (unsecured, considered good)	2.10	2.42
Total	**2.37**	**2.44**
Current (Unsecured considered good)		
Derivatives designated at fair value through profit or loss		
- For forward contracts(ii)	1.32	4.76
Incentive receivable from Government	17.59	17.59
Security deposits	0.80	0.14
Other contractual receivables from related parties (refer note 45)	2.39	0.83
Other recoverable	0.22	0.93
Total	**22.32**	**24.25**

(i) Represent lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	0.62	0.75
Effect of marked to market on open contracts	0.70	4.01
Total	**1.32**	**4.76**

(iii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iv) Refer note 40 and 41 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 9 - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current (unsecured, considered good)		
Capital advances	3.55	3.23
Prepaid expenses	0.02	0.08
Balance with government authorities	1.05	0.96
Total	**4.62**	**4.27**
Current (unsecured, considered good)		
Advances to related parties (refer note 45)	49.33	25.68
Advances to vendors	15.71	41.09
Advances to employees	0.10	0.15
Prepaid expenses	2.04	0.94
Balance with government authorities	20.00	12.60
Total	**87.18**	**80.46**

(i) Above mentioned Other current assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 10 - Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	88.30	75.79
Raw materials-in-transit	105.75	43.90
Work-in-progress	75.55	67.95
Finished goods (other than those acquired for trading)	51.92	26.18
Finished goods-in-transit	12.50	35.42
Traded goods	0.04	0.40
Stores and spares	16.09	6.83
Consumables	8.32	3.27
Total	**358.47**	**259.74**

(i) Above mentioned inventories have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

Note 11 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured	-	-
Trade receivables - considered good	101.23	65.29
Trade receivables - credit impaired	3.32	2.24
Less: allowance for expected credit losses	(3.32)	(2.24)
Total	**101.23**	**65.29**

Trade Receivables Ageing Schedule

As at March 31, 2022	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	74.64	23.24	1.75	1.23	0.31	0.06	101.23
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – Credit impaired	-	-	0.31	0.77	0.30	-	1.38
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	-	0.40	1.54	1.94

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Trade Receivables Ageing Schedule

As at March 31, 2021	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	37.69	25.91	0.85	0.79	0.05	-	65.29
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – Credit impaired*	-	-	0.30	0.00	-	-	0.30
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	0.40	0.18	1.36	1.94

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

(i) Above mentioned trade receivables have been hypothecated as securities with banks/ financial institutions, refer note 17 for details. Also refer note 45 for related parties details.

(ii) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost.

(iii) Refer note 41 for details of expected credit loss for trade receivables under simplified approach.

(iv) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Note 12 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	0.01	0.12
Cash on hand	0.10	0.07
Cheques on hand	-	1.30
Total	**0.11**	**1.49**

(i) Refer note 17 for hypothecation as securities with bank/financial institutions on cash and cash equivalents.

Note 13 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks in current accounts		
- Unclaimed dividend account (i)	0.06	0.06
Balance held as margin money against borrowings (with original maturity more than 3 months but remaining maturity less than 12 months)(ii)(iii)(iv)	6.37	5.87
Total	**6.43**	**5.93**

(i) These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note 19. Further, these are not due for deposit in the Investor Education and Protection Fund.

(ii) Includes interest accrued but not due amounting to ₹ 0.04 Crores (Previous year: ₹ . 0.04 Crores)

(iii) Refer note 17 for hypothecation as securities with bank/financial institutions on Bank balances other than cash and cash equivalents.

(iv) Refer note 35 for fixed deposits given as bank guarantees.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 14(a) - Current tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provisions)	-	0.03
Total	**-**	**0.03**

Note 14(b) - Current tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	1.21	1.78
Total	**1.21**	**1.78**

Note 15 - Equity share capital

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 2 each	8,50,00,000	17.00	7,50,00,000	15.00
	8,50,00,000	17.00	7,50,00,000	15.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 2 each	6,90,37,914	13.81	6,90,37,914	13.81
Total	**6,90,37,914**	**13.81**	**6,90,37,914**	**13.81**

(a) Changes in equity share capital during the year

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance as at the beginning of the year	6,90,37,914	13.81	6,90,37,914	13.81
Add: shares issued during the year (ESOP)	-	-	-	-
Total	**6,90,37,914**	**13.81**	**6,90,37,914**	**13.81**

(b) Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a face value of ₹ 2 per share. Each equity shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholder holding more than 5 percent shares in the company*

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity shares with voting rights				
Mr. Rajat Agrawal	3,30,49,789	47.87%	3,30,49,265	47.87%
Agrawal Family Private Trust	1,73,48,025	25.13%	1,73,48,025	25.13%

* As per records of the company, including its register of members.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(d) During the five years immediately preceding March 31, 2022, the Company has neither allotted any bonus shares nor have any shares been bought back.

(e) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(f) Dividend

The Board of Directors, in its meeting held on January 29 2022, had recommended an interim dividend of Rs 3.00 per equity share of ₹ 2 each amounting to ₹ 20.71 Crores for the financial year ended March 31, 2022, which was transferred to a separate bank account on February 2, 2022 has been paid during the quarter ended March 31, 2022.

(g) Details of equity shares held by Promoters in the company as at the end of year :

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Rajat Agrawal*	3,30,49,789	47.87%	0.00%	3,30,49,265	47.87%	-
Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	1,73,48,025	25.13%	-	1,73,48,025	25.13%	-

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

Note16 - Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Securities premium	42.70	42.70
General reserve	5.18	5.18
Retained earnings	146.59	127.52
Cash flow hedging reserve	(0.39)	(0.19)
Total	**194.08**	**175.21**

Description of nature and purpose of each reserve

(a) Security premium

The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

(b) General reserve

The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

(c) Retained earnings

Retained earnings represents surplus in Statement of Profit and Loss.

(d) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note17 - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowings		
Secured		
Term loans		
- from bank	78.06	40.90
- from institutions other than banks	52.50	24.91
Vehicle loans	4.48	3.11
Less: Loan processing fees	(0.74)	(0.63)
	134.30	**68.29**
Less: Current maturities of non-current borrowings disclosed under current borrowings	(27.70)	(24.81)
Total	**106.60**	**43.48**
Current borrowings		
Secured loans - from banks		
Cash credit	57.87	4.84
Packing credit	54.50	81.36
Buyers credit	7.13	22.24
Suppliers credit	-	1.50
Working capital demand loan	62.82	29.98
Current maturities of non-current borrowings	27.70	24.81
Unsecured - from other parties		
Short term facility	1.95	-
Total	**211.97**	**164.73**

i. There is no default in repayment of principal or payment of interest thereon.

ii. Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:

1. Vehicle loans

Vehicle loan from banks of ₹ 4.48 crores (March 31, 2021: ₹ 3.11 crores) carry interest ranging from 6.55% p.a. to 7.55% p.a. (Previous year: 7.55% p.a. to 9.90% p.a.) The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 31 to 84 months.

2. Term loans from bank

A. PNB Term Loan of ₹ 0.44 crores (March 31, 2021: ₹ 0.41 crores) @ 9.15% p.a. (Previous year: 9.45% p.a. to 10.30% p.a.). The loan is repayable in 22 quarterly installments commencing from October 2017 and ending in January 2023. The loan is secured by way of following:

1. First pari-passu charge on the entire block assets present and future of the Chittoor project.
2. Second pari-passu charge on following Immovable Properties:

   Land and Building at Jaychand Ka Bas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Kasara no. 209/1/5/3, 209/1/4/1, 209/1/5/1 and 209/1/5/2.

   Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur

   Residential Land & H No. 3/90, Mansarovar, Jaipur
3. Personal guarantee of Managing Director Mr. Rajat Agrawal.
4. Corporate guarantee of M/s Gravita Impex Private Limited (Related Party).

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

B. Bandhan Bank Term Loan of ₹ Nil (March 31, 2021: ₹ 7.32 crores @ 10.50% p.a.). The loan was repayable in 48 monthly installments commencing from March 2020 and ending in February 2024 but the same has been Prepaid in March 2022. The loan was secured by way of following:

1. First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.
2. First Pari-passu charge by way of mortgage over moveable industrial property in the name of Company situated at situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.
3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

C. Bandhan Bank Term Loan of ₹ . Nil (March 31, 2021: ₹ . 7.71 crores @ 10.50% p.a.) .The loan is repayable in 48 monthly instalments commencing from May 2020 and ending in March 2024. The said loan was Pre Paid in FY 21-22.The loan is secured by way of following:

1. First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.
2. First Pari-passu charge by way of mortgage over movable industrial property in the name of Company situated at situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.
3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

D. Covid Loan of ₹ 3.14 crores (March 31, 2021: ₹ 16.54 crores @ 6.90% p.a. to 8.00% p.a.) @ 6.90% p.a. to 8.00% p.a. The loan is for 24 months with 6 month moratorium and repayable in 18 monthly installments commencing from January 2021. The loan will be secured over the all exiting primary and collateral security (mentioned in note 17(iv) below) held with consortium of bankers.

E. GECL Loan of ₹ 31.35 crores (March 31, 2021: ₹ 8.92 crores @ 8.35% p.a.) @ 7.65% to 8.35% p.a. The loan is for 60 months with 12 months moratorium and repayable in 48 monthly installments commencing from January 2022 and ending in August 2026. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(iv) below) held with consortium of bankers.

F. GECL Loan of ₹ 7.45 crores (March 31, 2021: ₹ Nil) @ 7.25% to 8.24% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from April 2024 and ending in March 2028. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(iv) below) held with consortium of bankers.

G. GECL Loan of ₹ . 4.40 crores (March 31, 2021: ₹ Nil) @ 8.25% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from January 2024 and ending in December 2027. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(iv) below) held with consortium of bankers.

H. IDFC First Term Loan of ₹ 31.28 crores (March 31, 2021: Nil) @ 8.50% p.a.. The loan is for 60 months with 12 month moratorium and repayable in 16 Quarterly installments commencing from December 2022 and ending in September 2026. The loan will be secured over the fixed assets of Mundra Plant Situated at Survey no.43.Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujarat).

3. Term loans from institutions other than banks

A. TATA Term Loan of ₹ 16.31 crores (March 31, 2021: ₹ 9.47 crores) @ 8.75% p.a. (Previous year: 10.50% p.a.). The loan is repayable in 60 monthly installments commencing from February 2020 and ending in December 2025. The loan is secured by way of following:

1. First Pari-passu charge shared by ICICI Bank by way of Hypothecation over moveable fixed assets of Borrower and at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.

(All amounts in ₹ Crores, unless otherwise stated)

2. First Pari passu Charge shared by ICICI Bank by way of mortgage over industrial property situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.
3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

B Bajaj Term Loan of ₹ 4.00 crores (March 31, 2021: ₹ 5.60 crores) @ 10.15% p.a. (Previous year: 10.00% p.a to 10.15% p.a.). The loan is repayable in 60 monthly installments commencing from October 2019 and ending in September 2024. The loan is secured by way of following:

1. Personal guarantee of Managing Director Mr. Rajat Agrawal.
2. First pari-passu charge over land and building of the company situated at Phagi Jaipur.
3. Flat No. 302, 401, 403 in Gravita Tower A 27-B, Tilak Nagar, Shanti Path, Jaipur.

C Bajaj Term Loan of ₹ 32.19 crores (March 31, 2021: ₹ 9.84 crores) @ 7.90% to 9.00% p.a. The loan is repayable in 60 monthly installments commencing from March 2021 and ending in January 2027. The loan will be secured by way of following:

1. First pari-passu charge on the entire block of fixed assets present and future of the Chittoor plant.
2. Personal guarantee of Managing Director Mr. Rajat Agrawal.

iii. Security disclosure for the outstanding current borrowings are as follows:

1. 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).
2. First pari-passu charge on the entire fixed assets of the Company both present and future, excluding vehicles, Assets situated at Plot No. P.A. 011-006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, assets of Survey no. 233/15 to 233/30, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, Survey no. 43 Near National highway no.8A (Patri Gundala road, Village Gundala, Taluka Mundra, Kutch (Gujrat)) and Flat no.402, Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur. But including the following:

   - Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.
   - Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur.

3. First pari-passu charge on Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party) and Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.
4. Personal guarantee of Managing Director Mr. Rajat Agrawal.
5. Corporate guarantee of M/s Gravita Impex Private Limited (related party).
6. Second pari passu charge on the fixed assets of Chittoor Plant.

iv. Collateral:

Inventory, trade receivables, other current assets, other current financial assets, property, plant and equipment, capital work-in-progress with a net carrying amount of ₹ 716.71 crores and ₹ 553.82 crores are given as collateral/ security against the borrowings as at March 31, 2022 and March 31, 2021, respectively.

v. Rate of Interest for Current borrowings

The company's current borrowing facilities have an effective weighted-average contractual rate of 5.78% per annum(March31,2021: 7.55% per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

vi. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with State Bank of India (Lead Banker) and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

vii. Refer note 40 and 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 18 - Lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	2.41	2.55
Current	0.52	0.79
Total	**2.93**	**3.34**

i. Disclosures on lease pursuant to Ind AS 116 - Leases

The Company has leases for the factory lands, office premises, equipment, etc. Also, the Company has a leasehold land at Jaipur which has been taken on a lease for a period of 92 years in the year 2013.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

As at 31 March 2022

Right-of-use asset	Number of right-of-use assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	2	6.86 - 83.44	-	-
Plant and machinery	11	0.01 - 1.42	-	-
Building	4	3.30 - 4.26	-	-

As at 31 March 2021

Right-of-use asset	Number of right-of-use assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	2	7.86 - 84.44	-	-
Plant and machinery	11	0.92 - 2.42	-	-
Building	4	0.25 - 4.76	-	-

ii. The following are amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right-of-use assets	0.89	1.01
Interest expense on lease liabilities	0.32	0.39

iii. Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company does not have any liability to make variable lease payments for the right to use the underlying asset recognised in the Financial statement. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 1.74 Crores (Previous year: ₹ 1.42 Crores).

iv. Total cash outflow for leases for the year ended March 31, 2022 was ₹ 2.92 Crores (Previous year ₹ 2.63 Crores)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

v. Maturities of lease liabilities

The lease liabiltiies are secured by the related underlying assets. Future minimum lease payments were as follows:

Particulars	Lease payments	Interest expense	Net present values
March 31, 2022			
Not later than 1 year	0.78	0.26	0.52
Later than 1 year but not later than 5 years	2.27	0.63	1.64
Later than 5 years	0.85	0.08	0.77
Total	**3.90**	**0.97**	**2.93**
March 31, 2021			
Not later than 1 year	1.10	0.30	0.80
Later than 1 year but not later than 5 years	2.15	0.72	1.43
Later than 5 years	1.29	0.18	1.11
Total	**4.54**	**1.20**	**3.34**

vi. Refer note 40 for disclosure of fair values in respect of financial liabilities measured at amortised cost.

Note 19 - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Employee share appreciation rights (refer note 44)	4.73	-
Total	**4.73**	**-**
(b) Current		
Interest accrued but not due on borrowings	0.40	0.36
Unclaimed dividends[(i)]	0.06	0.06
Corporate guarantee obligation	0.12	0.19
Derivatives designated at fair value through profit and loss[(ii)]	4.50	-
Contractual payable to related parties	0.95	0.31
Current balance in partnership firm/ limited liability partnership	21.90	14.28
Payable under supply chain financing arrangement[(v)]	80.29	23.06
Creditors for capital goods	0.13	0.03
Others	1.57	0.04
Total	**109.92**	**38.33**

(i) As at March 31, 2022, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	(0.20)	-
Effect of marked to market on open contracts	4.70	-
Total	**4.50**	**-**

(iii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Refer note 40 and 41 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(v) Represents channel financing facility availed by the Company, which is a part of the supply chain financing arrangement with the channel financing partners, for amount payable to MSME vendors through TReDS portal.

Note 20 - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current provisions for (refer note 43)		
- Gratuity	3.24	2.84
- Compensated absences	0.91	0.73
Total	**4.15**	**3.57**
Current provisions for (refer note 43)		
- Gratuity	0.48	0.39
- Compensated absences#	0.38	0.04
Total	**0.86**	**0.43**

Includes short term provision for casual leaves as at 31 March 2022 amounting to ₹ . 0.31 crores (Previous Year Nil).

Note 21 - Deferred tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liability arising on account of:		
Property, plant and equipment and other intangible assets	9.61	7.88
Other temporary differences	0.26	0.21
Gross deferred tax liabilities	**9.87**	**8.09**
Deferred tax asset arising on account of:		
Provision for employee benefits and other liabilities deductible on actual payment	3.40	1.33
Allowances for expected credit losses	1.17	0.78
Right-of-use assets and lease liabilities	0.12	0.14
Cash flow hedging reserve	0.21	0.10
Gross deferred tax assets	**4.90**	**2.35**
Minimum alternate tax (MAT) credit entitlement	**4.06**	**4.06**
Deferred tax liabilities (net)	**0.91**	**1.68**

(i) The Company has tax not recognised deferred tax on impairment provision of Investment in subsidiary company amount to ₹ 0.75 Crores. The deferred tax impact on such investment is ₹ 0.26 Crores, considering there is no probability which demonstrates realisation of deferred tax asset in the near future.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Deferred tax movements

Particulars	Opening balance	Credit/ (Charge) in Statement of Profit and loss	Credit/ (Charge) in other comprehensive income	Closing balance
For the year ended March 31, 2022				
Property, plant and equipment and other intangible assets	(7.88)	(1.73)	-	(9.61)
Provision for employee benefits and other liabilities deductible on actual payment	1.33	2.09	(0.02)	3.40
Allowances for expected credit losses	0.78	0.39	-	1.17
Right-of-use assets and lease liabilities	0.14	(0.02)	-	0.12
Cash flow hedging reserve	0.10	-	0.11	0.21
MAT credit entitlement	4.06	-	-	4.06
Other temporary differences	(0.21)	(0.05)	-	(0.26)
Total	**(1.68)**	**0.68**	**0.09**	**(0.91)**
For the year ended March 31, 2021				
Property, plant and equipment and other intangible assets	(8.20)	0.32	-	(7.88)
Provision for employee benefits and other liabilities deductible on actual payment	1.47	(0.15)	0.01	1.33
Allowances for expected credit losses	1.94	(1.16)	-	0.78
Right-of-use assets and lease liabilities	0.09	0.05	-	0.14
Cash flow hedging reserve	0.28	-	(0.18)	0.10
MAT credit entitlement	4.06	-	-	4.06
Other temporary differences	(0.24)	0.03	-	(0.21)
Total	**(0.60)**	**(0.91)**	**(0.17)**	**(1.68)**

(iii) There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income-tax Act, 1961:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2022	March 31, 2021
2019-20	2034-35	3.95	3.95
2020-21	2035-36	5.50	5.50
2021-22	2036-37	3.81	3.81
2022-23	2037-38	3.66	-
Total		**16.92**	**13.26**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 22 - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred government grants[i] [refer note 24(ii)]	0.16	0.17
Total	**0.16**	**0.17**
Current		
Revenue received in advance	10.36	7.40
Deferred government grants[i] [refer note 24(ii)]	0.01	0.02
Statutory dues payable	1.00	1.19
Other payables	-	0.07
Total	**11.37**	**8.68**

(i) Movement of deferred government grants

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	0.19	0.22
Amortised during the year	(0.02)	(0.03)
At the end of the year	**0.17**	**0.19**

Note 23 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises[ii]	1.08	0.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	94.68	131.41
Total	**95.76**	**131.66**

(i) Ageing Schedule of trade payable

As at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.02	1.06	-	-	-	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.71	86.49	3.05	0.94	3.49	94.68
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

As at March 31, 2021	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises*	0.00	0.25	-	-	-	0.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.34	126.92	0.44	3.71	-	131.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

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

(ii) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006') at the year end are mentioned below. The same has been relied upon by the auditors.

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier	1.08	0.25
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	0.00	0.00
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year*	0.00	0.00
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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

(iii) Refer note 40 and 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Note 24 - Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating revenue[(i)]		
Sale of products		
Manufactured/ Recycled goods	1,649.45	1,065.61
Traded goods	238.80	163.24
Sale of services	0.43	0.17

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other operating revenue		
Export incentives including amortisation of government grant [refer note 24 (ii)]	7.48	1.11
Share of loss from partnership firms (net)	(4.07)	(4.83)
Job work income	0.29	0.24
Scrap sales	1.80	0.88
Total	**1,894.18**	**1,226.42**

(i) Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by product type. The 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.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue by product type:		
Lead	1,675.51	1,111.33
Aluminium	124.00	61.51
Turnkey Projects	25.47	14.45
Plastics	62.37	41.19
Others	0.90	0.37
Revenue from sale of services	0.43	0.17
Total	**1,888.68**	**1,229.02**
Revenue by geography:		
Domestic	933.87	629.56
Export	954.81	599.46
Total	**1,888.68**	**1,229.02**
Revenue by time:		
Revenue recognised at point in time	1,888.68	1,229.02
Total	**1,888.68**	**1,229.02**

(b) 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 are presented net of impairment (if any) in the Balance Sheet. Further, impairment of bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109. Refer note 41 for details of expected credit loss for trade receivables under simplified approach.

(c) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Movement in contract liabilities

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at beginning of the year	**7.40**	**0.90**
Add: Addition during the year	83.89	49.15
Less: Revenue recognised during the year	80.93	42.65
Balance at the end of the year	**10.36**	**7.40**

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract price	1,889.30	1,229.05
Less: discount, rebates, credits etc.	(0.62)	(0.03)
Revenue from operations as per Statement of Profit and Loss	**1,888.68**	**1,229.02**

(ii) The Company's recycling facility at Chittoor, was eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the Company had been granted "Small Industry" status and was eligible for incentives like, power cost reimbursement, interest reimbursement, refund of sales tax/State Goods and services tax paid in cash, etc. Based on such policy, the Company had recognised the incentive computed based on SGST paid to Government of Andhra Pradesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Company was also entitled for capital grant of ₹ 0.26 Crores out of which ₹ 0.02 Crores (Previous year: ₹ 0.03 Crores) has been recognised as amortisation of government grant under the head "Other operating revenue" and balance amount of ₹ 0.17 Crores (March 31, 2021: ₹ 0.19 Crores) has been recognised as deferred government grants under head "Other liabilities".

(iii) During current year, the amount of ₹ 3.05 Crores (previous year: Nil) has been credited under electronic credit ledger under RoDTEP scheme. Out of the amount credited nothing has been utilised during the year ended 31 March 2022.

Note 25 - Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income measured at amortised cost from:		
Bank deposits	0.26	0.30
Others	1.20	1.08
Other non-operating income		
Liabilities/ excess provisions no longer required written back	0.81	2.83
Corporate guarantee income	0.07	0.05
Miscellaneous income	0.07	0.12
Other gains		
Gain on foreign currency exchange fluctuation (net)	4.31	3.19
Derivatives measured at fair value through profit and loss		
Gain on foreign currency forward contracts	0.57	1.39
Gain on commodity forward contracts	-	3.30
Total	**7.29**	**12.26**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 26 - Cost of materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening[(i)]	119.69	96.60
Add: Purchase	1,515.80	1,022.87
Less: Closing[(i)]	194.05	119.69
Total#	**1,441.44**	**999.78**

#Cost of material consumed includes packing material and other anciliary products which are used for manufacturing.

(i) inclusive of goods-in-transit

Note 27 - Purchases of traded goods

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Re-melted/ refined lead ingots	186.58	140.43
Aluminium and others	44.87	16.42
Total	231.45	**156.85**

Note 28 - Changes in inventories of finished goods, work-in-progress and traded goods

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods[(i)]	61.60	25.94
Work-in-progress	67.95	24.98
Traded goods	0.40	0.23
Less: Closing stock		
Finished goods[(i)]	64.42	61.60
Work-in-progress	75.55	67.95
Traded goods	0.04	0.40
Change in inventory of finished goods, work-in-progress and traded goods	**(10.06)**	**(78.80)**

[(i)]inclusive of goods-in-transit

Note 29 - Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	59.72	42.87
Contribution to provident and other funds (refer note 43)	2.72	1.99
Employee share appreciation rights expense (refer note 44)	4.73	-
Staff welfare expenses	2.74	1.95
Total	**69.91**	**46.81**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 30 - Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest costs on :		
- Borrowings	19.85	18.86
- Lease liabilities	0.32	0.39
- Others	-	0.42
Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs	5.69	2.83
Other borrowing costs*	2.01	1.61
Total	**27.87**	**24.11**

* includes discounting charges, filing charges etc.

Note 31 - Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	7.78	7.30
Amortisation of intangible assets	0.26	0.26
Depreciation of right-of-use assets	0.89	1.01
Total	**8.93**	**8.57**

Note 32 - Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	9.30	7.56
Rates and taxes	2.48	0.52
Legal and professional fees	2.95	1.67
Repairs and maintenance		
- Plant and machinery	8.93	6.54
- Building	0.57	0.46
- Others	1.97	1.08
Freight and forwarding	12.72	9.47
Travelling and conveyance	0.98	0.81
Insurance	0.47	0.17
Rent (refer note 18)	1.74	1.42
Advertising and sales promotion	4.10	0.77
Donations and Scholarships	0.08	0.51
Payment to auditors(i)	0.85	0.40
Allowance for expected credit loss on financial assets	1.08	1.46
Loss on sale/ discard of property, plant and equipment	0.89	2.63
Expenditure on corporate social responsibility(ii)	0.66	0.88
Bank charges	2.25	1.61
Impairment of investment held in subsidiary companies (other than temporary)	0.75	0.42
Contractual labour expenses	1.70	1.09
Other financial assets written off	2.49	-
Derivatives measured at fair value through profit or loss		
- Loss on commodity forward contracts	24.31	-
Miscellaneous expenses	1.91	1.50
Total	**83.18**	**40.97**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(i) Payment to statutory auditors*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
- Audit fee	0.46	0.34
In other capacity		
- Certification and other matters	0.35	0.01
- Reimbursement of out of pocket expenses	0.04	0.05
Total	**0.85**	**0.40**

*excluding applicable taxes

(ii) Details of corporate social responsibility expenditure

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company have constituted CSR Committee. The details for CSR activities are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent by the Company	0.66	0.62
Amount spent during the year		
- Construction or acquisition of any asset	-	-
- On purposes other than above	0.73	0.88

(i) The Company does not carry any provisions for corporate social responsibility expenses for the current year and previous year.

(ii) The Company does not have any ongoing projects as at March 31, 2022.

(iii) The Company intends to carry forward the excess amount spent during the year. Refer details below:

Particulars	March 31, 2022	March 31, 2021
Opening balance at the beginning of the year	**0.03**	**-**
Amount required to be spent during the year	0.66	0.62
Amount spent during the year (excluding unspent amount of past years)	0.73	0.65
Closing balance at the end of the year	**0.07**	**0.03**

Note 33 - Tax expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
In respect of current year	9.55	7.38
In respect of earlier year	0.13	(0.07)
	9.68	**7.31**
Deferred tax		
In respect of current year	(0.68)	0.91
	(0.68)	**0.91**
Income tax expense reported in the Standalone Statement of Profit and Loss	**9.00**	**8.22**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Accounting profit before tax	48.75	40.39
Statutory income tax rate	34.94%	34.94%
Tax expense at statutory income tax rate (A)	**17.04**	**14.11**
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Effect of income that is exempt from taxation (under section 80IA, 10(2A) and 10A of Income-tax Act, 1961)	(9.00)	(5.94)
Effect of expenses that are not deductible in determining taxable profit	0.42	0.31
Movement in tax provision relating to prior years	0.13	(0.07)
Impairment of investments	0.26	0.15
Deferred tax liabilities not recognised on temporary difference, which will reverse within the tax holiday period	(0.16)	(0.70)
Others	0.31	0.37
Total (B)	**(8.04)**	**(5.89)**
Income tax expense recognised in Statement of Profit and Loss (A-B)	**9.00**	**8.22**

Deferred tax has not been created on incentive income/ receivable for Chittoor plant, considering the same will be realised within tax holiday period available under section 80IA of Income tax Act, 1961.

Income tax recognised in Other comperhensive income

Particulars	March 31, 2022			March 31, 2021		
	Before tax	Tax Expenses/ (Benefits)	Net of Tax	Before tax	Tax Expenses/ (Benefits)	Net of Tax
Remeasurement of defined benefit plans	0.05	(0.02)	0.03	(0.04)	0.01	(0.03)
Change in fair value of hedging instruments	(0.31)	0.11	(0.20)	0.51	(0.18)	0.33
Total	**(0.26)**	**0.09**	**(0.17)**	**0.47**	**(0.17)**	**0.30**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 34 - Disclosure as per Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2022		March 31, 2021	
	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
Corporate guarantee given for related parties:				
- M/s Gravita Metal Inc(i)	6.14	9.00	7.49	9.00
- Gravita Netherlands B.V.(i)	8.58	20.00	13.07	20.00
Loan given to related parties:				
- Noble Build Estate Private Limited(i) (ii)	1.98	4.11	3.95	3.95
- Gravita Employee Welfare Trust(ii) (iii) (iv)	9.69	9.69	8.91	8.91
Investment in subsidiaries:				
- Gravita Infotech Limited(i)	0.26	0.26	0.26	0.26
- Gravita Ghana Limited(i) (iii)	1.24	1.24	1.24	1.24
- Gravita Global Pte Limited(i)	7.29	7.29	7.29	7.29
- Noble Build Estate Private Limited(i)	0.75	0.75	0.75	0.75
Investment in partnership firm/ LLP:				
- M/s Gravita Metal Inc(i)	0.95	0.95	0.95	0.95
- M/s Gravita Infotech(i)	0.06	0.06	0.06	0.06
- M/s Recycling Infotech LLP(i)	0.01	0.01	0.01	0.01

(i) For business purposes of the entity.

(ii) Including interest till reporting date since inception of the loan agreement.

(iii) Gross of impairment.

(iv) For the purpose of implementing Gravita Stock Appreciation Right Scheme 2017 for acquiring equity shares of the Company from secondary market.

Note 35 - Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Corporate guarantee given to bank for loans availed by the following related parties:		
- M/s Gravita Metal Inc	9.00	9.00
- Gravita Netherlands B.V. (i) (Cash margin given of ₹ 2 Crore)	20.00	20.00
Dues outstanding in respect of above, considered contingent		
- M/s Gravita Metal Inc	6.14	7.49
- Gravita Netherlands B.V.(i)	8.58	13.07
(II) Bank guarantees		
- Bank guarantee given by the company	3.15	0.63
(III) Claim against the Company not acknowledged as debt(ii)		
- Excise Duty/Customs Duty/Service Tax/Goods and services Tax	3.36	4.61
- Value Added Tax/ Central Sales Tax/Entry Tax	-	3.29
Total	**21.23**	**29.08**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(i) 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.

(ii) All the matters above other than guarantee given by the Company are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liability could arise on the Company on account of these proceedings.

(b) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	1.53	3.12
Other commitments in the nature of export obligations	16.16	1.30
Total	**17.69**	**4.42**

Note 36 - Earning per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year attributable to equity shares (₹ in Crores) (A)	39.75	32.17
Total shares outstanding at the beginning of the year (in numbers) (refer note 15) (B)	6,90,37,914	6,90,37,914
Add: Weighted average number of shares issued during the year on account of exercise of employee stock option (C)	-	-
Weighted-average number of equity shares for basic EPS (D) = (B + C)	**6,90,37,914**	**6,90,37,914**
Effect of dilution# (E)	-	-
Weighted-average number of equity shares for diluted EPS (F) = (D + E)	**6,90,37,914**	**6,90,37,914**
Basic earnings per share (in Rs.) (A/D)	**5.76**	**4.66**
Diluted earnings per share (in Rs.) (A/F)	**5.76**	**4.66**

Options granted under stock appreciation rights scheme are considered as potentional equity shares. But they have not been included in the determination of diluted earning per share as these have been acquired from the open market by the employee welfare trust.

Note 37 - Dividend

Particulars	Dividend per share	Total dividend amount
For the year ended March 31, 2022		
Interim dividend for financial year 2021-22(i)	3.00	20.71
Total	**3.00**	**20.71**
For the year ended March 31, 2021		
Interim dividend for financial year 2020-21(ii)	1.10	7.60
Total	**1.10**	**7.60**

(i) Declared by the Board of Directors, in its meeting held on January 29, 2022.

(ii) Declared by the Board of Directors, in its meeting held on January 28, 2021.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 38 - Reconciliation of liabilities arising from financing activities

Particulars	Non-current borrowing	Current borrowing	Lease liabilities
As at April 1, 2020	**30.00**	**196.67**	**3.76**
Cash inflow	33.92	-	-
Cash outflow	(20.82)	(31.43)	(1.21)
Non-cash changes			
Recognition of lease liabilities	-	-	0.40
Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	0.38	-	-
Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	-	(0.51)	-
Interest cost on lease liabilities	-	-	0.39
As at March 31, 2021	**43.48**	**164.73**	**3.34**
Cash inflow	103.84	-	-
Cash outflow	(40.11)	46.93	(1.18)
Non-cash changes			
Recognition of lease liabilities	-	-	0.45
Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	(0.61)	-	-
Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	-	0.31	-
Interest cost on lease liabilities	-	-	0.32
As at March 31, 2022	**106.60**	**211.97**	**2.93**

Note 39 - Disclosure of effects of hedge accounting on financial position

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value in USD (Absolute number)	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
March 31, 2022							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	71,89,257	54.50	April 02, 2022 - September 26, 2022	1:1	₹ 73.40/ USD	0.30	0.30
March 31, 2021							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	1,10,68,417	81.36	May 30, 2021 - September 21, 2021	1:1	₹ 73.09/ USD	(2.01)	(2.01)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive loss (income)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
For the year ended March 31, 2022				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	0.31	-	(0.01)	Finance cost and other income
For the year ended March 31, 2021				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	(0.51)	-	(1.50)	Finance cost and other expenses

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2022	March 31, 2021
Amount at the beginning of the year	0.19	0.52
Add: Changes in value of PCFCs	0.30	(2.01)
Less: Amount reclassified to profit or loss	0.01	1.50
Less: Deferred tax relating to above (net)	(0.11)	0.18
Amount at the end of the year	**0.39**	**0.19**

Note 40 - Financial Instruments

A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	March 31, 2022		March 31, 2021	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets					
Investments*#	6	0.00	-	0.00	-
Trade receivables	11	101.23	-	65.29	-
Other financial assets	8	24.19	-	22.68	-
Derivative assets	8	-	0.70	-	4.01
Loans	7	11.70	-	12.86	-
Cash and cash equivalents	12	0.11	-	1.49	-
Bank balances other than cash and cash equivalents	13	6.43	-	5.93	-
Total financial assets		**143.66**	**0.70**	**108.25**	**4.01**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	March 31, 2022		March 31, 2021	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial liabilities					
Non-current Borrowings	17	106.60	-	43.48	-
Current Borrowings	17	211.97	-	164.73	-
Lease liabilities	18	2.93	-	3.34	-
Trade payables	23	95.76	-	131.66	-
Other financial liabilities	19	88.25	-	24.05	-
Derivative liabilities	19	-	4.70	-	-
Total financial liabilities		**505.51**	**4.70**	**367.26**	**-**

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

\# Investment in subsidiaries (including partnership firms and LLP) are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Note	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	0.70	-	0.70
Derivative liabilities	19	-	4.70	-	4.70
As at March 31, 2021					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	4.01	-	4.01

Valuation process and technique used to determine fair value

i. The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

iii. The Company enters into commodity contracts with financial institutions for hedging price risk of lead arising from its import and export. Fair values of such contracts are determined based on observable rates of the commodity for similar contracts for the remaining maturity on the balance sheet date.

iv. There are no significant changes in value of level 3 investment measured at fair value through other comprehensive income.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Note	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
Non-current financial assets					
Investments*	6	0.00	0.00	0.00	0.00
Security deposits	8	2.10	2.10	2.42	2.42
Deposits with bank (with remaining maturity more than 12 months)	8	0.27	0.27	0.02	0.02
Loans (net of impairment)	7	11.70	11.70	12.86	12.86
Non-current financial liabilities					
Borrowings	17	106.60	106.60	43.48	43.48
Lease liabilities	18	2.41	2.41	2.55	2.55

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

The management assessed that fair values of current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables, current lease liabilities and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current loans and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the counterparty/borrower and other market risk factors.

ii. The fair values of the Company's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

iii. All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

Note 41 - Financial Risk Management

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

I. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	6 month expected credit loss
High credit risk	Loans and trade receivables	Trade receivables - Life time expected credit loss or specific provision whichever is higher

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Financial assets that expose the entity to credit risk

Particulars	Note	March 31, 2022	March 31, 2021
Low credit risk			
Investments(i)*	6	0.00	0.00
Security deposits	8	2.90	2.56
Loans	7	11.70	12.86
Trade receivables	11	101.23	65.29
Cash and cash equivalents	12	0.11	1.49
Bank balances other than cash and cash equivalents	13	6.43	5.93
Other financial assets (including derivative assets)	8	21.79	24.13
High credit risk			
Trade receivables	11	3.32	2.24
Total		**147.48**	**114.50**

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

(i) Investment in subsidiaries (including partnership firms and LLP) are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Derivative financial instruments

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a impairment for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

(b) Expected credit losses for financial assets

(i) Financial assets (other than trade receivables)

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash & cash equivalents, other bank balances and derivative financial instruments - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

For other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 6 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Particulars	Notes	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2022					
Cash and cash equivalents	12	0.11	0.00%	-	0.11
Bank balances other than cash and cash equivalents	13	6.43	0.00%	-	6.43
Security deposits	8	2.90	0.00%	-	2.90
Loans	7	11.70	0.00%	-	11.70
Other financial assets	8	21.79	0.00%	-	21.79
March 31, 2021					
Cash and cash equivalents	12	1.49	0.00%	-	1.49
Bank balances other than cash and cash equivalents	13	5.93	0.00%	-	5.93
Security deposits	8	2.56	0.00%	-	2.56
Loans	7	12.86	0.00%	-	12.86
Other financial assets	8	24.13	0.00%	-	24.13

Reconciliation of loss allowance provision for loans from beginning to end of reporting period:

Particulars	Loans
Loss allowance as at April 1, 2020	1.82
Changes in loss allowance	(1.82)
Loss allowance as at March 31, 2021	-
Changes in loss allowance	-
Loss allowance on March 31, 2022	**-**

(ii) Expected credit loss for trade receivables under simplified approach

As at March 31, 2022 and March 31, 2021, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount after impairment provision
March 31, 2022				
Amount not yet due	74.64	0.00%	-	74.64
Between one to six month overdue	23.24	0.00%	-	23.24
Greater than six month overdue	6.67	49.78%	3.32	3.35
Total	**104.55**		**3.32**	**101.23**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount after impairment provision
March 31, 2021				
Amount not yet due	37.69	0.00%	-	37.69
Between one to six month overdue	25.91	0.00%	-	25.91
Greater than six month overdue	3.93	57.00%	2.24	1.69
Total	**67.53**		**2.24**	**65.29**

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Loans
Loss allowance as at April 1, 2020	**3.73**
Add: Allowance provided during the year	1.46
Less: Amounts written off during the year	(2.95)
Loss allowance as at March 31, 2021	**2.24**
Add: Allowance provided during the year	1.08
Less: Amounts written off during the year	-
Loss allowance on March 31, 2022	**3.32**

II. Liquidity risk

Liquidity risk is the risk that the 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.

(a) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2022	As at March 31, 2021
Undrawn*	42.28	97.56

* includes working capital facilities which is due for review every year.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
March 31, 2022				
Non-derivatives				
Non-current Borrowings	-	105.86	0.74	**106.60**
Current borrowings	211.97	-	-	**211.97**
Lease liabilities	0.78	2.27	0.85	**3.90**
Trade payables	95.76	-	-	**95.76**
Other financial liabilities (excluding share appreciation rights)	109.52	-	-	**109.52**
Total	**418.03**	**108.13**	**1.59**	**527.75**
March 31, 2021				
Non-derivatives				
Non-current Borrowings	-	43.32	0.16	**43.48**
Current borrowings	164.73	-	-	**164.73**
Lease liabilities	1.10	2.15	1.29	**4.54**
Trade payables	131.66	-	-	**131.66**
Other financial liabilities	37.97	-	-	**37.97**
Total	**335.46**	**45.47**	**1.45**	**382.38**

III. Market risk

(a) Foreign currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. The Company's exposure to foreign currency changes for all other currencies which are not stated below is not material. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	52.97	37.70	65.32	59.88
EURO	0.18	-	-	-

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures read with Note 39 - "Disclosure of effects of hedge accounting on financial position", Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The impact on the Company's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
USD Sensitivity		
INR/USD - Increase by 4.06% (Previous Year 4.38%)	(0.50)	(0.97)
INR/USD - Decrease by 4.06% (Previous Year 4.38%)	0.50	0.97
EURO Sensitivity		
INR/EURO - Increase by 4.74% (Previous Year 5.59%)	0.01	-
INR/EURO - Decrease by 4.74% (Previous Year 5.59%)	(0.01)	-

Foreign exchange derivative contracts

The 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.

Outstanding Contracts	No. of deals		Foreign currency (USD absolute number)		Indian Currency (₹ In crores)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD / INR sell forward	2,600	2,000	26,00,000	20,00,000	19.71	14.68
Commodity contracts	10,625	7,800	2,57,33,538	1,54,08,900	195.08	113.26

(b) Interest rate risk

(i) Financial liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. At March 31, 2022 and March 31, 2021, the Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Company's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	249.15	176.52
Fixed rate borrowing	69.42	31.69
Total borrowings	**318.57**	**208.21**

Sensitivity

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity(i)		
Interest rates – increase by 100 basis points	2.49	1.77
Interest rates – decrease by 100 basis points	(2.49)	(1.77)

(i) Holding all other variables constant

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(c) Price risk

Exposure

The Company exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. There are no investments held by the company which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Company is not exposed to price risk.

Note 42 - Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Company is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. 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 EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

The following table summarises the capital of the Company:

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity	207.89	189.02
Non-current borrowings (including current maturities)	106.60	43.48
Current borrowings	211.97	164.73
Total capital (Debt + Equity)	**526.46**	**397.23**

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:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to provident funds	2.24	1.64
Employer's contribution to employee state insurance	0.47	0.35
Employer's contribution to labor welfare fund	0.01	-

There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgement dated February 28, 2019 on provident fund. The Company has started recognising such expenditure/liability on account of enhanced provident fund contributions prospectively. Pending further clarification on the applicability of such ruling, the management is of the view that such ruling is applicable prospectively.

Earned leaves – Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

Casual leaves - Unutilized casual leaves get lapsed at the end of each calendar year. The Company has provided for casual leave for a period of 3 months i.e. from January 2022 till March 2022.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

These plans typically expose the 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

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Change in benefit obligation (A)				
Present value of obligation as at the beginning of the year	3.22	0.77	2.82	0.79
Current service cost	0.39	0.20	0.34	0.12
Interest cost	0.22	0.05	0.19	0.06
Actuarial loss/ (gain)	(0.07)	0.01	0.04	(0.01)
Actuarial loss/ (gain) on plan assets	-	-	-	-
Benefits paid	(0.04)	(0.05)	(0.17)	(0.19)
Present value of obligation as at the end of the year	**3.72**	**0.98**	**3.22**	**0.77**
Change in plan assets (B)				
Fair value of plan assets at the beginning of the year	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Liability recognized in the financial statement (A - B)	**3.72**	**0.98**	**3.22**	**0.77**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Actuarial assumptions

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount rate	7.18%	7.18%	6.79%	6.79%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	23.29	23.48	22.16	22.16
Average remaining working lives of employees with Mortality and Withdrawal (years)	17.90	17.79	17.35	17.35
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):	100%	100%	100%	100%
Attrition at Ages				
- Age upto 30 years	3%	3%	3%	3%
- Age from 31 to 44 years	2%	2%	2%	2%
- Age above 44 years	1%	1%	1%	1%
Retirement age (years)*	58	58	58	58

* As per the standing orders obtained by the Company from the relevant labor authorities and internal policy of the Company.

Maturity profile of defined benefit obligation

Years	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	0.48	0.08	0.39	0.04
1 to 2 year	0.06	0.02	0.10	0.03
2 to 3 year	0.09	0.04	0.05	0.01
3 to 4 year	0.81	0.05	0.08	0.03
4 to 5 year	0.32	0.11	0.75	0.04
5 to 6 year	0.45	0.17	0.29	0.10
6 year onwards	1.50	0.52	1.57	0.52

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
Current service cost	0.39	0.20	0.34	0.12
Net interest cost	0.22	0.05	0.19	0.06
Actuarial loss	-	0.01	-	(0.01)
Total amount recognised in profit or loss	**0.61**	**0.26**	**0.53**	**0.17**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Re-measurements recognised in Other comprehensive income				
Actuarial (gain) / loss on plan assets				
Effect of changes in demographic assumptions				
Effect of changes in financial assumptions	(0.11)	-	0.00	-
Effect of experience adjustments	0.06	-	0.04	-
Total re-measurements included in Other Comprehensive Income	**(0.05)**	**-**	**0.04**	**-**
Total amount recognised in Statement of Profit and Loss	**0.56**	**0.26**	**0.57**	**0.17**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	3.72	0.98	3.22	0.77
(a) Impact of the change in discount rate				
Impact due to increase of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)
Impact due to decrease of 0.50%	0.15	0.05	0.13	0.04
(b) Impact of the change in salary increase				
Impact due to increase of 0.50%	0.15	0.05	0.14	0.04
Impact due to decrease of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)

Note 44 - Employee share based payments

Employee Stock appreciation rights Scheme

In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, inter alia, administers and monitors the Gravita Stock Appreciation Rights Scheme 2017 of the Company. The Compensation Committee, at its meeting granted Nil (Previous year: 528,000) Stock Appreciation Rights ('SAR') to the employees of the Group under Gravita Stock Appreciation rights Scheme 2017. In addition, Gravita Employee Welfare Trust has purchased 652,500 (previous year: 528,000) equity shares from secondary market.

(i) Movement of shares acquired by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares outstanding at the beginning of the year	13,80,500	7,28,000
Equity shares acquired during the year	-	6,52,500
Number of shares outstanding at the end of the year	**13,80,500**	**13,80,500**

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Movement of shares appreciation rights granted by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares appreciation rights granted at the beginning of the year	7,28,000	2,00,000
Shares appreciation rights granted during the year	-	5,28,000
Number of shares appreciation rights granted at the end of the year	**7,28,000**	**7,28,000**

(iii) Gravita has granted certain SAR to its employees under the Scheme details of which are as under*:

Grant of SAR	Number of SAR
SAR 2018-19	70,400
SAR 2019-20	1,29,600
SAR 2020-21	5,28,000
Total	**7,28,000**

*The Company has granted 4,02,600 stock appreciation right to KMP's, which will be exercised at the time of their respective retirement and which are subject to upward and downward revision.

(iv) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for the options granted till 31 March 2022:

Date of Grant	Market Price as at 31 March 2022	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation	Employee Attrition	Fair Value per share as at 31 March 2022
1 April 2018	317.75	70,400	0.97 - 20.32	143.31	4.14% - 7.11%	52.09% - 61.41%	18.00%	151.52 - 247.53
1 April 2019	317.75	1,29,600	4.27	108.23	5.78%	53.83%	18.00%	198.96
1 April 2020	317.75	5,28,000	2.08 to 25.90	42.55	4.80% to 7.11%	52.09% to 57.98	18.00%	229.07 to 257.42

Note 45 - 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 Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Gravita Infotech Limited	India	100.00	100.00
Noble Buildestate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(B) Step down subsidiaries

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Gravita Mozambique LDA	Mozambique	100.00	100.00
Navam Lanka Limited	Sri lanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal SAU	Senegal	100.00	100.00
Gravita Nicaragua SA	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc	USA	100.00	100.00
Gravita Mali SA	Mali	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Limited	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Gravita Dominican SAS (till September 6, 2021)	Dominican Republic	-	100.00
Gravita Peru SAC (till February 3, 2022)	Peru	-	100.00
Gravita Togo SOU (from August 4, 2021)	Togo	100.00	-

(C) Associate

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Pearl Landcon Private Limited	India	25.00	25.00

(D) Partnership firms

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Gravita Metal Inc	India	95.00	95.00
M/s Gravita Infotech	India	49.00	49.00

(E) Limited liability partnership firm

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Recycling Infotech LLP	India	51.00	51.00

(F) Enterprises over which Key Managerial Personnel and/ or their relatives exercise significant influence

Name of Entity
Saurabh Farms Limited
Shah Buildcon Private Limited
Jalousies India Private Limited
Gravita Impex Private Limited
Agarwal Family Private Trust

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(G) Trusts

Name of Entity
Gravita Employee Welfare Trust

(H) Key Management Personnel

Name	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-time director
Mr. Rajat Agrawal	Managing director
Mr. Yogesh Malhotra	Whole-time director & Chief executive officer
Mr. Sunil Kansal	Chief financial officer
Mr. Nitin Gupta	Company Secretary
Mr. Dinesh Kumar Govil	Independent director
Mr. Arun Kumar Gupta	Independent director
Mr. Chanchal Chadha Phadnis	Independent director

(I) Relatives of Key managerial personnel (with whom transactions have taken place during the current year or previous year)

Name	Relationship
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

(ii) Detail of transaction and balance outstanding with related parties

Transactions with related parties

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Sales		
(a) Subsidiaries		
Gravita Tanzania Limited	2.48	3.51
Recyclers Ghana Limited	8.62	5.70
Gravita Mozambique LDA	1.30	2.56
Mozambique Recyclers LDA	1.81	1.03
Gravita Senegal SAU	10.12	0.97
Gravita Nicaragua SA	0.94	0.52
Navam Lanka Limited	0.53	0.40
Gravita Jamaica Limited	-	0.01
(b) Partnership firms		
M/s Gravita Metal Inc	4.04	8.63
(ii) Purchases (net of returns and rebates)		
(a) Subsidiaries		
Recyclers Ghana Limited	204.50	137.33
Gravita Mozambique LDA	16.05	46.51
Gravita Tanzania Limited	40.21	42.45
Navam Lanka Limited	41.57	42.16
Gravita Senegal SAU	25.80	41.18
Recyclers Mozambique LDA	17.83	18.00
Gravita USA Inc	-	9.64
Gravita Nicaragua SA	-	2.21

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gravita Jamaica Limited	0.57	-
Gravita Netherland B.V.	201.07	-
(b) Partnership firms		
M/s Gravita Metal Inc	2.78	2.91
(iii) Purchases of property plant and equipments		
(a) Key managerial personnel		
Mr. Rajat Agrawal	-	0.71
(iv) Loss from partnership firm		
M/s Gravita Metal Inc	(4.06)	(4.83)
M/s Gravita Infotech*	(0.01)	(0.00)
M/s Recycling Infotech LLP*	(0.00)	(0.00)
(v) Loan given during the year		
(a) Trust		
Gravita Employee Welfare Trust	-	3.23
(vi) Interest income		
(a) Subsidiaries		
Noble Buildestate Private Limited	0.25	0.30
(b) Trust		
Gravita Employee Welfare Trust	0.78	0.62
(vii) Service charges income		
(a) Subsidiaries		
Gravita Netherlands BV	0.36	0.08
(viii) Management consultancy income		
(a) Partnership firms		
M/s Gravita Metal Inc	0.01	0.01
(ix) Corporate guarantee expenses		
(a) Subsidiaries		
Noble Buildestate Private Limited	-	0.07
(x) Corporate guarantee income		
(a) Subsidiaries		
Gravita Netherlands BV	0.07	0.05
(xi) Professional fees expenses		
(a) Subsidiaries		
Gravita Infotech Limited	-	0.30
(xii) Trade Receivable settled by		
Gravita Metal Inc	70.25	35.88
(xii) Dividend Paid		
(a) Trust		
Gravita Employee Welfare Trust	0.41	0.15

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(b) Key managerial personnel		
Mr. Rajat Agrawal	9.91	3.60
Mr. Yogesh Malhotra	0.01	0.00
Mr. Sunil Kansal	0.02	0.01
Mr. Nitin Gupta	0.01	0.00
(c) Key managerial personnel		
Agarwal Family Private Trust	5.22	1.91
(xiii) Rent expenses		
(a) Subsidiaries		
Gravita Infotech Limited	0.11	0.11
(b) Key management personnel		
Mr. Rajat Agrawal	0.40	0.40
(c) Relatives of key management personnel		
Mrs. Anchal Agrawal	0.07	0.06
(d) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.44	0.42
Shah Buildcon Private Limited	0.36	0.22
Jalousies India Private Limited	0.34	0.32
(e) Other reiembursment from related parties		
Gravita Netherlands B.V.	1.13	-
(xiv) Remuneration paid to key managerial personnel		
(a) Short-term benefits(I)		
Dr. Mahavir Prasad Agarwal	1.20	1.20
Mr. Rajat Agrawal	1.19	1.00
Mr. Yogesh Malhotra	1.92	0.79
Mr. Sunil Kansal	0.95	0.66
Mr. Nitin Gupta	0.13	0.08
(b) Post-employment benefits(II)		
Dr. Mahavir Prasad Agarwal	0.06	0.08
Mr. Rajat Agrawal	0.06	0.08
Mr. Yogesh Malhotra	0.02	0.06
Mr. Sunil Kansal	0.02	0.05
Mr. Nitin Gupta*	0.00	0.00

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

(I) Short-term benefits includes PAT incentive/ performance incentive, which is subject to performance and target achievement.

(II) Post-employment benefits does not include provisions for incremental gratuity of ₹ 1.20 crores (previous year: ₹ 1.15 crores) and compensated absences of ₹ 0.08 crores (previous year: ₹ 0.07 crores) based on actuarial valuation report.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Closing balances with related parties

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Advances		
(a) Subsidiaries		
Gravita Tanzania Limited	-	16.65
Recyclers Ghana Limited	-	4.69
Gravita Netherland BV	48.99	3.69
Mozambique Recyclers LDA	0.21	-
Gravita USA Inc	-	0.65
(ii) Recoverable from related party		
(a) Subsidiaries		
Navam Lanka Limited	0.08	0.07
Gravita Senegal SAU	8.60	0.44
Gravita Mozambique LDA	0.22	0.95
Gravita Tanzania Limited	-	0.08
Gravita Jamaica Limited	-	0.01
Mozambique Recyclers LDA	1.36	1.03
Recyclers Ghana Limited	4.01	5.85
Gravita Nicaragua SA	0.66	0.03
(b) Partnership firms		
M/s Gravita Metal Inc	0.11	5.95
(iii) Other Contractual receivables from related parties		
(a) Subsidiaries		
Gravita infotech Limited	-	0.03
Gravita Mozambique LDA	-	0.13
Gravita Netherlands BV	0.28	-
Gravita Senegal SAU	-	0.44
Navam Lanka Limited	-	0.01
(b) Receivables against reimbursment from related parties		
Gravita Netherlands BV	2.39	0.22
(iv) Other Contractual payable to related parties		
(a) Subsidiaries		
Noble Buildestate Private Limited	-	0.26
Gravita infotech Limited	0.95	-
(b) Enterprises having common key management personnel and/or their relatives		
Gravita Impex Private Limited	-	0.04
(v) Payable		
(a) Subsidiaries		
Gravita Senegal SAU*	0.00	1.94
Gravita Mozambique LDA	3.35	12.18
Gravita Infotech Limited	0.02	0.35
Navam Lanka Limited	15.05	12.44
Gravita Nicaragua SA	-	0.01
Noble Buildestate Private Limited	-	0.04
Recyclers Mozambique LDA	-	4.89

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Gravita USA Inc.	1.49	-
Recyclers Ghana Limited	16.98	-
Gravita Tanzania Limited	0.11	-
(b) Partnership firms		
M/s Gravita Metal Inc	21.92	14.26
(vi) Investment balances		
(a) Subsidiaries		
Gravita Infotech Limited	0.26	0.26
Gravita Ghana Limited	1.24	1.24
Gravita Global Pte Limited	7.29	7.29
Noble Buildestate Private Limited	0.75	0.75
(b) Partnership firms (fixed and current investments)		
M/s Gravita Metal Inc	0.95	0.95
M/s Gravita Infotech	0.06	0.06
M/s Recycling Infotech LLP	0.01	0.01
(vii) Loan given (including interest accrued)		
(a) Subsidiaries		
Noble Buildestate Private Limited	2.01	3.95
(b) Trust		
Gravita Employee Welfare Trust	9.69	8.91
(viii) Security deposits		
Mrs. Anchal Agarwal	0.02	0.02
Mr. Rajat Agrawal	0.12	0.12
Saurabh Farms Limited	0.14	0.14
Shah Buildcon Private Limited	0.12	0.12
Jalousies (India) Private Limited	0.11	0.11
(ix) Corporate guarantee given		
(a) Subsidiaries		
Gravita Netherlands BV	8.58	13.07
(b) Partnership firms		
M/s Gravita Metal Inc	6.14	7.49
(x) Corporate guarantee taken		
(a) Enterprises having common key management personnel and/or their relatives		
Gravita Impex Private Limited	0.04	0.04
(xi) Remuneration payable to Key managerial personnel		
(a) Short term benefits		
Dr. Mahavir Prasad Agrawal	0.10	0.08
Mr. Rajat Agrawal	0.11	0.07
Mr. Yogesh Malhotra	0.05	0.04
Mr. Sunil Kansal	0.03	0.03
Mr. Nitin Gupta	0.01	0.01

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

(i) Refer note 17(ii) & 17(iii) for details of personal guarantee given by Key managerial personnel.

(ii) Refer note 44 for Employee Stock Appreciation Rights given to KMP's.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 46 - Specified ratios as per schedule III Requirements

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Change in %
Current ratio (in times)	Current assets	Current liabilities	1.33	1.26	6%
Debt-equity ratio (in times)#	Non-current borrowings + Current borrowings - Cash and cash equivalents	Total equity	1.53	1.09	40%
Debt service coverage ratio (in times)	Earning available for debt service = Net profit after taxes + Non-cash operating expenses/income (net) + interest expenses + provision for impairment in the value of investments	Debt service = Interest and lease payments + principal repayments of long-term borrowings	1.71	2.03	(16%)
Inventory turnover (in times)	Sale of products	Average inventories	6.13	5.93	3%
Trade receivable turnover ratio (in times)	Sale of products	Average trade receivables	22.68	19.74	15%
Trade payable turnover ratio (in times)	Cost of goods sold + consumption of stores and spares + consumption of packing materials + power and fuel	Average trade payables	22.59	18.40	23%
Net capital turnover ratio (in times)	Revenue from operations	Working capital [Current assets - Current liabilities]	13.10	13.53	(3%)
Net profit ratio (in %)	Restated profit after tax	Revenue from operations	2.09%	2.65%	(21%)
Return on capital employed (in %)	Earnings before interest and taxes + provision for impairment in the value of investments	Capital employed = Tangible net worth + total debt + deferred tax liabilities	23.44%	26.82%	(13%)
Return on equity (in %)	Profit after tax	Average of total equity	19.12%	17.02%	12%

Term debt for capital expenditure and long-term working capital loans have increased.

Note 47 - Compliance with Foreign Exchange Management Act, 1999

Trade receivables and trade payables as at 31 March 2022 include amounts aggregate to ₹ . 83.27 Crores and ₹ 42.99 Crores respectively, situated outside India. Out of this aforesaid trade receivables amounting to ₹ 2.12 Crores are pending for more than 270 days and trade payables amounting to ₹ 2.71 Crores are pending for more than 180 days. These balances are under settlement with AD Bank under the regulations of Reserve Bank of India. Based on the information available till date, the management does not expect any adverse consequences to the company.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 48

The management of the Company has assessed the impact of COVID-19 on its operations as well its standalone financial statement and considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets, which does not have any significant impact on carrying value of its assets. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these standalone financial statement and the management of the Company will continue to closely monitor any material changes to future economic conditions.

Note 49

As per transfer pricing legislation under section 92-92 F of the Income Tax Act, 1961, the company is required to use certain specific methods in computing arm's length price of international transaction with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporanious in nature, the company has updated the transfer pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these standalone financial statements.

Note 50 - Disclosure relating to provisions recorded in these standalone financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision for taxes	
	March 31, 2022	March 31, 2021
Opening balance	0.07	0.07
Additions	4.84	-
Utilisations/ Adjustments	3.41	-
Closing Balance	1.50	0.07

Note 51

Segment information has been provided under the Summary of the significant accounting policies and other explanatory information of the consolidated financial statement for the year ended March 31, 2022 as per para 4 of Indian Accounting Standard (Ind AS) 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013.

Note 52

In the opinion of Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/ expected liabilities have been made.

Note 53 - Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Company has not been declared wilful defaulter by any bank or financial institutions or other lenders.

(iii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Company has not traded or invested in crypto currency or virtual currency during the current and the preceding financial year.

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 54

The figures of previous year have been regrouped/ reclassed to make them comparative with those of current year wherever considered necessary.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Independent Auditor's Report

To the Members of Gravita India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Gravita India Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and an associate the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer note 24 to the Consolidated financial statements. The Revenues of the Group consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts.	**Our audit work included, but was not limited to, the following procedures:** a) Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115 – Revenue from contracts with customers; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue; c) Performed substantive analytical procedures on revenue which included ratio analysis, product mix analysis, customer analysis, etc.;

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
Revenue recognition process also involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of revenue recognized. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue. Considering the materiality of amounts involved and significant judgements involved, the same has been considered as a key audit matter for the current year's audit.	d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents; e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards; f) Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period; g) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns; h) Assessed if there is any modification to, or other impact on the contracts with customers due to COVID 19 outbreak; i) Tested manual journal entries impacting revenue including credit notes, claims etc., which were material or irregular in nature with supporting documents and evaluated business rationale thereof; and j) Ensured the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 115.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information

Independent Auditor's Report

considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

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

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statement of the

Independent Auditor's Report

entities or business activities within the Group and its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

15. We did not audit the financial statements of 24 subsidiaries, whose financial statements reflects total assets of ₹ 384.59 crores and net assets of ₹ 197.90 crores as at 31 March 2022, total revenues of ₹ 890.10 crores and net cash inflows amounting to ₹ 13.48 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 0.00 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company incorporated in India whose financial statement have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies. Further, we also report that the provisions of section 197 read with Schedule V to the Act are not applicable to an associate Company incorporated in India, since such Company is not a public company as defined under section 2(71) of the Act.

Independent Auditor's Report

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies and its associate company covered under the Act, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and an associate company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and an associate incorporated in India whose financial statements have been audited under the Act:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate as detailed in Note 34 to the consolidated financial statements;

        ii. The Holding Company, its subsidiary companies and an associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2022 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and an associate company covered under the Act, during the year ended 31 March 2022.

        iv. a. The respective managements of the Holding Company and its subsidiary companies, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 52 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the

Holding Company or its subsidiary companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 52 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any persons or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company and its subsidiary companies during the year ended 31 March 2022 and until the date of this audit report is in compliance with section 123 of the Act

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJGQNE3213

Place: Jaipur
Date: May 19, 2022

Independent Auditor's Report

Annexure-1

List of entities included in the Statement (in addition to the Holding Company)

Subsidiaries (including of partnership firms and trust)

Gravita Infotech Limited, Gravita Ghana Limited, Gravita Mozambique LDA, Noble Build Estate Private Limited, Gravita Global Pte Limited, Navam Lanka Limited, Gravita Netherlands BV, Gravita Senegal S.A.U, Gravita Nicaragua S.A., Gravita Jamaica Limited, Gravita Ventures Limited, Gravita USA Inc., Gravita Mali SA, Recyclers Gravita Costa Rica SA, Gravita Tanzania Limited, Recyclers Ghana Ltd., Mozambique Recyclers LDA, Gravita Dominican SAS (till 6 September 2021), Gravita Peru SAC (till 03 February 2022), M/s Gravita Metal Inc, M/s Gravita Infotech, M/s Recycling Infotech LLP, Gravita TOGO SAU (w.e.f. 04 August 2021) and Gravita Employee Welfare Trust.

Associate

Pearl Landcon Private Limited

Annexure A Independent Auditor's Report

Annexure A to the Independent Auditor's Report of even date to the Members of Gravita India Limited on the Consolidated Financial Statements for the year ended March 31, 2022.

Independent Auditor's report on the internal financial controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Gravita India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company's, its subsidiary companies and its associate company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. The audit of internal financial controls with reference to financial statements of an associate company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company's and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and 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

Annexure A Independent Auditor's Report

permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company's and its subsidiary companies, which are companies covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

Other Matters

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 4.20 crores and net assets of ₹ 2.12 crores as at 31 March 2022, total revenues of ₹ (0.22) crores and net cash inflows amounting to ₹ 1.98 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 22507000AJGQNE3213

Place: Jaipur
Date: May 19, 2022

Consolidated Balance Sheet

as at March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	As at March 31, 2022	As at March 31, 2021
I.	ASSETS			
	Non - current assets			
	Property, plant and equipment	2	183.65	161.41
	Capital work-in-progress	3	42.49	13.49
	Right-of-use assets	4	7.34	10.57
	Other intangible assets	5	0.27	0.39
	Financial assets			
	- Investments*	6	0.00	0.00
	- Other financial assets	8	3.10	3.42
	Non-current tax assets (net)	9(a)	0.23	0.11
	Other non current assets	10	8.22	6.29
	Total non-current assets		**245.30**	**195.68**
	Current assets			
	Inventories	11	513.45	357.70
	Financial assets			
	- Trade receivables	12	109.65	59.38
	- Cash and cash equivalents	13	23.42	11.32
	- Bank balances other than cash and cash equivalents	14	9.10	8.54
	- Loans	7	1.84	2.12
	- Other financial assets	8	20.00	23.93
	Current tax assets (net)	9(a)	1.41	0.23
	Other current assets	10	73.33	67.43
	Total current assets		**752.20**	**530.65**
	TOTAL ASSETS		**997.50**	**726.33**
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity share capital	15	13.81	13.81
	Other equity	16	373.04	255.12
	Equity attributable to owners of the Holding Company		**386.85**	**268.93**
	Non-controlling interests		14.00	9.02
	Total equity		400.85	277.95
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	- Borrowings	17	109.53	51.24
	- Lease liabilities	18	3.15	3.24
	- Other financial liabilities	19	4.73	-
	Provisions	20	9.08	4.47
	Deferred tax liabilities (net)	21	1.50	2.41
	Other non current liabilities	22	0.16	0.18
	Total non-current liabilities		**128.15**	**61.54**
	Current liabilities			
	Financial liabilities			
	- Borrowings	17	277.89	204.93
	- Lease liabilities	18	0.55	1.68
	- Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	23	1.08	0.30
	Total outstanding dues of creditors other than micro enterprises and small enterprises		76.14	135.19
	- Other financial liabilities	19	87.00	23.80
	Other current liabilities	22	15.64	13.79
	Provisions	20	0.92	0.48
	Current tax liabilities (net)	9(b)	9.28	6.67
	Total current liabilities		**468.50**	**386.84**
	Total liabilities		**596.65**	**448.38**
	TOTAL EQUITY AND LIABILITIES		**997.50**	**726.33**

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

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Consolidated Statement of Profit and Loss

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Income**			
	Revenue from operations	24	2,215.87	1,409.75
	Other income	25	7.84	7.17
	Total income (I)		**2,223.71**	**1,416.92**
II	**Expenses**			
	Cost of materials consumed	26	1,753.92	1,206.46
	Purchases of traded goods	27	44.20	8.43
	Changes in inventories of finished goods, work-in-progress and traded goods	28	(54.59)	(82.48)
	Employee benefits expense	29	102.75	72.90
	Finance costs	30	33.55	27.87
	Depreciation and amortisation expense	31	20.56	20.30
	Other expenses	32	158.68	92.53
	Total expenses (II)		**2,059.07**	**1,346.01**
III	**Profit before tax and share of (loss) in associate (I - II)**		**164.64**	**70.91**
IV	Share of (loss) of associate*		(0.00)	(0.01)
V	**Profit before tax (III + IV)**		**164.64**	**70.90**
VI	**Tax expense**	33		
	- Current tax (including earlier years)		16.18	15.08
	- Deferred tax charge/ (credit)		0.01	(1.00)
	Total tax expense		**16.19**	**14.08**
VII	**Profit for the year (V - VI)**		**148.45**	**56.82**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities		0.05	(0.04)
	Income tax on above items		(0.02)	0.01
	Items that will be reclassified to profit or loss			
	Foreign currency translation reserve		(2.38)	1.82
	Change in fair value of hedging instruments		(0.31)	0.51
	Income tax on above items		0.94	(0.81)
	Total other comprehensive (loss)/ income, net of tax		**(1.72)**	**1.49**
IX	**Total comprehensive income for the year (VII + VIII)**		**146.73**	**58.31**
	Profit for the year attributable to			
	- Owners of the Holding Company		139.39	52.47
	- Non-controlling interests		9.06	4.35
	Other comprehensive income for the year attributable to			
	- Owners of the Holding Company		2.36	2.01
	- Non-controlling interests		(4.08)	(0.52)
	Total comprehensive income for the year attributable to			
	- Owners of the Holding Company		141.75	54.48
	- Non-controlling interests		4.98	3.83
X	**Earnings per share**	36		
	Basic (Rs.)		20.60	7.72
	Diluted (Rs.)		20.60	7.72

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

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Consolidated Statement of Changes in Equity

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Equity share capital (refer note 15)

Particulars	Balance as at April 1, 2020	Changes during the FY 20-21	Balance as at March 31, 2021	Changes during the FY 21-22	Balance as at March 31, 2022
Equity share capital	13.81	-	13.81	-	13.81

(b) Other equity (refer note 16)

Particulars	Attributable to owners of the holding company								Non -controlling interests	Total
	Reserves and surplus				Legal reserve	Treasury shares	Foreign currency translation reserve	Total		
	Securities premium	General reserve	Retained earnings	Cash flow hedging reserve						
Balance as at April 1, 2020	**42.70**	**5.18**	**165.17**	**(0.52)**	**0.63**	**(4.55)**	**2.76**	**211.37**	**5.19**	**216.56**
Profit for the year	-	-	52.47	-	-	-	-	**52.47**	4.35	**56.82**
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	(0.03)	-	-	-	-	**(0.03)**	-	**(0.03)**
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	0.33	-	-	-	**0.33**	-	**0.33**
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	1.71	**1.71**	(0.52)	**1.19**
Total comprehensive income for the year	**-**	**-**	**52.44**	**0.33**	**-**	**-**	**1.71**	**54.48**	**3.83**	**58.31**
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	(7.44)	-	-	-	-	**(7.44)**	-	**(7.44)**
Acquisition of treasury shares	-	-	-	-	-	(3.29)	-	**(3.29)**	-	**(3.29)**
Balance as at March 31, 2021	**42.70**	**5.18**	**210.17**	**(0.19)**	**0.63**	**(7.84)**	**4.47**	**255.12**	**9.02**	**264.14**
Profit for the year	-	-	139.39	-	-	-	-	**139.39**	9.06	**148.45**
Other comprehensive income for the year										
Remeasurement of the net defined benefit obligation, net of tax	-	-	0.03	-	-	-	-	**0.03**	-	**0.03**
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	(0.20)	-	-	-	**(0.20)**	-	**(0.20)**
Foreign currency translation reserve, net of tax	-	-	-	-	-	-	2.53	**2.53**	(4.08)	**(1.55)**
Total comprehensive income for the year	**-**	**-**	**139.42**	**(0.20)**	**-**	**-**	**2.53**	**141.75**	**4.98**	**146.73**
Transactions with owners in their capacity as owners										
Interim equity dividend paid (refer note 35)	-	-	(23.83)	-	-	-	-	**(23.83)**	-	**(23.83)**
Balance as at March 31, 2022	**42.70**	**5.18**	**325.76**	**(0.39)**	**0.63**	**(7.84)**	**7.00**	**373.04**	**14.00**	**387.04**

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Consolidated Statement of cash flows

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	**164.64**	**70.90**
Adjustments for:		
Depreciation and amortisation expense	20.56	20.30
Loss on sale/discard of property, plant and equipment	2.13	6.27
Share of loss of associates*	0.00	0.01
Finance cost	33.55	27.87
Incentive income	(0.04)	(1.92)
Interest income on bank deposits	(0.40)	(0.43)
Interest income on others	(0.48)	(0.39)
Liabilities / provisions no longer required written back	(0.81)	(0.36)
Allowance for expected credit loss on financial assets (including write off)	2.57	-
Unrealised loss/(gain) on derivatives measured at fair value through profit and loss	4.70	(4.01)
Employee stock appreciation rights expenses	4.73	-
Operating profit before working capital changes	**231.15**	**118.24**
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(155.75)	(133.34)
Trade receivables	(51.36)	8.31
Other current and non-current assets	(7.83)	19.79
Other current financial assets	3.03	(6.26)
Adjustments for changes in operating liabilities:		
Trade payables	(59.84)	85.40
Other current and non current financial liabilities	58.51	(12.32)
Other current and non current liabilities	1.87	7.79
Provisions	5.10	0.42
Cash generated from operations	**24.87**	**88.03**
Income taxes paid (net of refund)	(14.87)	(11.52)
Net cash flow generated from operating activities (A)	**10.00**	**76.51**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets (adjusted for creditors for capital goods and capital work-in-progress including capital advances)	(72.80)	(21.28)
Interest received	0.88	0.75
Movement in bank balances not considered as cash and cash equivalents (net)	(0.56)	1.11
Proceeds from sale of property, plant and equipment	2.60	0.07
Net cash (used in) investing activities (B)	**(69.88)**	**(19.35)**

Consolidated Statement of cash flows

for the Year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
C. Cash flow from financing activities		
Proceeds from non-current borrowings	103.69	34.03
Repayment of non-current borrowings	(44.78)	(26.07)
Proceeds from/(repayment) of current borrowings (net)	72.65	(24.21)
Acquisition of treasury shares	-	(3.29)
Payment of lease liabilities	(2.19)	(3.01)
Finance cost paid (excluding in relation to lease liabilities)	(33.56)	(26.52)
Dividends paid	(23.83)	(7.44)
Net cash generated from/(used in) financing activities (C)	**71.98**	**(56.51)**
Net increase in cash and cash equivalents (A+B+C)	**12.10**	**0.65**
Cash and cash equivalents at the beginning of the year	11.32	10.67
Cash and cash equivalents at the end of the year (refer note 13)	**23.42**	**11.32**

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

The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash flow'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

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Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

Note 1 - Corporate information, statement of compliance with Ind AS, basis of preparation and summary of significant accounting policies

(A) Corporate Information

Gravita India Limited (the 'Holding Company') is a public limited Company domiciled and incorporated under the provisions of the Companies Act, 1956 applicable in India. The Holding Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Holding Company is situated at "Saurabh", Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil-Phagi, Jaipur-303904 and having principal place of business in Jaipur (Rajasthan), Gujarat, Chittoor (Andhra Pradesh), Kathua (Jammu and Kashmir), Mirigama (Sri Lanka), Mozambique, Tanzania, Ghana and Senegal (East Africa) etc. Gravita India Limited together with its subsidiaries and an associate is hereinafter referred to as "Group".

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

The consolidated financial statements are presented in ₹ Crores, which is also the functional currency of the Holding Company.

These consolidated financial statements for the year ended March 31, 2022 are approved and adopted by the Board of Directors in their meeting held on May 19, 2022. The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

(B) Statement of compliance with Ind AS and basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and other related provisions of the act.

The consolidated financial statements have been prepared on accrual and going concern basis. The Group has uniformly applied the accounting policies during the period presented in the consolidated financial statements.

The consolidated financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value.
- Defined benefit plans – plan assets measured at fair value less present value of defined benefit obligations; and
- Share based payments - measured at fair value;

Further, certain financial assets and financial liabilities are measured at fair value and are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

(C) Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2022.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Holding Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and associate are eliminated to the extent of the Group's interest in these entities.

(D) Significant accounting policies

I. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other assets are classified as non-current.

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

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

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

II. Property, plant and equipment

Recognition and initial measurement

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

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

Subsequent measurement (depreciation and useful lives)

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

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

Freehold land is measured at cost and is not depreciated.

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

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

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

De-recognition

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

Capital work-in-progress

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

III. Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation and useful lives)

All finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Intangible Assets	Useful life (in years)
Software	3 - 5 years

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

IV. Impairment of non-financial assets

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

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

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

V. Borrowing costs

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

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

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

VI. Inventories

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

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

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

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

VII. Foreign Currency transactions and translations

Functional and presentation currency

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

Transactions and balances

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

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

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

Translation of foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date and the equity is translated at historical rate. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the Statement of Profit or Loss and are recognized as part of the gain or loss on disposal.

VIII. Leases

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

Where the Group is the lessee

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

(i) the contract involves the use of an identified asset;

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and

(iii) the Group has the right to direct the use of the asset.

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

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

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

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

IX. Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

X. Revenue Recognition

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

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

Sale of products (including scrap sales and service income):

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

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

Revenue is measured at fair value of consideration received or receivables and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax.

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

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

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

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

Interest income:

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

Job Work Income:

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

Export Incentive:

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

Dividend income:

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

XI. Operating expenses

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

XII. Equity, reserves and dividend payment

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

XIII. Qualified Institutional Placement related transaction costs

The expenses pertaining to qualified institutional placement ("QIP") includes expenses pertaining to issue of equity shares in the Holding Company, has been accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares has been deferred until successful consummation of QIP upon which it shall be deducted from equity;
- Incremental costs that are directly attributable to issuing new shares, where issue has been abandoned has been recorded as an expense in the statement of profit and loss; and
- Incremental costs that are not directly attributable to issuing new shares, has been recorded as an expense in the statement of profit and loss as and when incurred.

XIV. Financial Instruments

Initial measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

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

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

recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

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

Financial assets

Classification and subsequent measurement

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

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

   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

b. **Financial assets at fair value**

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

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

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

De-recognition of financial assets

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

Financial liabilities

Subsequent measurement

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

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

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

De-recognition of financial liabilities

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

Financial guarantee contracts

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

Offsetting of financial instruments

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

XV. Hedge accounting

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

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

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

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

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

XVI. Impairment of financial assets

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

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

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

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

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

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

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

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

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

Other financial assets

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

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

XVII. Cash Flow Statement

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

XVIII. Post-employment, long term and short term employee benefits

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

Defined Contribution plan

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

Defined benefit plan

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

Other long-term employee benefits

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

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

Short term employee benefit

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

XIX. Share based payments

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

Cash settled share-based payments

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

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

XX. Provisions, contingent assets and contingent liabilities

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

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

Contingent liability is disclosed for:

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

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

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

XXI. Earnings per share

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

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

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

XXII. Taxes

Income taxes

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

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

Deferred tax

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

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

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

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

XXIII. Cash and cash equivalents

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

XXIV. Dividend payment

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

XXV. Segment reporting

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

Identification of segments:

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

Allocation of common costs:

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

Unallocated items:

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

Segment accounting policies

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

XXVI. Government grants

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

Government grants are recognised when there is a reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as income in the period in which the grant is received. Government grant in form of subsidy for unit at Chittoor, Andhra Pradesh is awarded as incentive to the Holding Company, and is recognised as income in the period in which the grant is accrued.

XXVII. Use of estimates and judgement

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

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

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

c. **Allowance for expected credit loss:** The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the consolidated financial statements.

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

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

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

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

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

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

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

k. **Recoverability of advances / receivables**

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

XXVIII. Recent accounting pronouncements:

(a) Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorised, have been considered in preparing these consolidated financial statements.

(b) Recent accounting pronouncements

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendments mentioned above are extensive and the Group will evaluate the same to give effect to them as required by law.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 2 - Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Office equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount								
As at April 1, 2020	**10.91**	**75.29**	**97.89**	**6.39**	**1.25**	**2.78**	**9.95**	**204.45**
Additions during the year	0.82	2.34	12.36	0.41	0.18	0.08	4.39	20.58
Disposals/ adjustments	-	(0.81)	(8.41)	(0.16)	(0.04)	(0.03)	(0.68)	(10.13)
Foreign currency translation differences	(0.13)	(0.94)	(2.56)	(0.03)	(0.01)	0.04	(0.09)	(3.72)
As at March 31, 2021	**11.60**	**75.88**	**99.28**	**6.61**	**1.38**	**2.87**	**13.57**	**211.18**
Additions during the year	4.88	12.23	21.49	2.05	0.55	0.17	3.94	45.31
Disposals/ adjustments*	-	(0.54)	(2.51)	(0.06)	(0.02)	-	(0.48)	(3.61)
Foreign currency translation differences	(0.01)	(1.08)	(2.28)	(0.12)	(0.01)	(0.02)	(0.23)	(3.75)
As at March 31, 2022	**16.47**	**86.49**	**115.98**	**8.48**	**1.90**	**3.02**	**16.80**	**249.13**
Accumulated depreciation								
As at April 1, 2020	**-**	**6.21**	**21.86**	**1.97**	**0.93**	**0.66**	**4.18**	**35.81**
Charge for the year	-	2.92	11.88	1.11	0.15	0.32	1.46	17.84
Disposals/ adjustments	-	(0.09)	(2.57)	(0.08)	(0.04)	(0.01)	(0.22)	(3.01)
Foreign currency translation differences*	-	(0.06)	(0.69)	(0.01)	-	-	(0.11)	(0.87)
As at March 31, 2021	**-**	**8.98**	**30.48**	**2.99**	**1.04**	**0.97**	**5.31**	**49.77**
Charge for the year	-	3.06	11.59	1.63	0.17	0.32	1.82	18.59
Disposals/ adjustments	-	(0.02)	(0.86)	(0.04)	(0.01)	-	(0.17)	(1.10)
Foreign currency translation differences*	-	(0.26)	(1.32)	(0.12)	-	(0.02)	(0.05)	(1.77)
As at March 31, 2022	**-**	**11.76**	**39.89**	**4.46**	**1.20**	**1.27**	**6.91**	**65.49**
Net carrying value								
As at March 31, 2021	**11.60**	**66.90**	**68.80**	**3.62**	**0.34**	**1.90**	**8.26**	**161.41**
As at March 31, 2022	**16.47**	**74.73**	**76.09**	**4.02**	**0.70**	**1.75**	**9.89**	**183.65**

* Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
(i) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(ii) Refer note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3 - Capital work-in-progress

Particulars	Balance as at April 1, 2020	Movement during the year	Balance as at March 31, 2021	Movement during the year	Balance as at March 31, 2022
Capital work-in-progress	14.64	(1.15)	**13.49**	29.00	**42.49**

(i) Ageing schedule of capital work-in-progess is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Project in Progress	42.49	-	-	-	42.49
Project temporarily suspend	-	-	-	-	-
Total	**42.49**	**-**	**-**	**-**	**42.49**
As at 31 March 2021					
Project in Progress	13.49	-	-	-	13.49
Project temporarily suspend	-	-	-	-	-
Total	**13.49**	**-**	**-**	**-**	**13.49**

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.
(iii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 4 - Right-of-use assets

Particulars	Land	Buildings	Plant and machinery	Total
Gross carrying amount				
As at April 1, 2020	9.22	4.01	1.82	15.05
Additions during the year	0.10	0.41	-	0.51
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences	(0.04)	(0.19)	-	(0.23)
As at March 31, 2021	**9.28**	**4.23**	**1.82**	**15.33**
Additions during the year*	0.00	1.03	-	1.04
Disposals/ adjustments	(1.82)	-	-	(1.82)
Foreign currency translation differences	(0.16)	(0.62)	-	(0.78)
As at March 31, 2022	**7.30**	**4.64**	**1.82**	**13.77**
Accumulated depreciation				
As at April 1, 2020	0.32	1.75	0.54	2.61
Charge for the year	0.34	1.33	0.54	2.21
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences*	-	(0.06)	-	(0.06)
As at March 31, 2021	**0.66**	**3.02**	**1.08**	**4.76**
Charge for the year	0.28	0.97	0.53	1.78
Disposals/ adjustments	-	-	-	-
Foreign currency translation differences*	(0.01)	(0.10)	-	(0.11)
As at March 31, 2022	**0.93**	**3.89**	**1.61**	**6.43**
Net carrying value				
As at March 31, 2021	**8.62**	**1.21**	**0.74**	**10.57**
As at March 31, 2022	**6.37**	**0.75**	**0.21**	**7.34**

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

(ii) Above mentioned assets are mortgaged as security with banks/ financial institutions. Refer note 17 for details.

(ii) Also, refer note 18 for detailed disclosures related to Ind AS 116 'Leases'.

Note 5 - Other intangible assets

Particulars	Computer Software	Total
Gross carrying amount		
As at April 1, 2020	2.00	2.00
Additions during the year	0.10	0.10
Disposals/ adjustments	(0.07)	(0.07)
Foreign currency translation differences*	0.00	0.00
As at March 31, 2021	**2.03**	**2.03**
Additions during the year	0.07	0.07
Disposals/ adjustments	-	-
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	**2.10**	**2.10**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Computer Software	Total
Accumulated amortisation		
As at April 1, 2020	1.44	1.44
Charge for the year	0.26	0.26
Disposals/ adjustments	(0.06)	(0.06)
Foreign currency translation differences*	0.00	0.00
As at March 31, 2021	**1.64**	**1.64**
Charge for the year	0.19	0.19
Disposals/ adjustments	-	-
Foreign currency translation differences*	0.00	0.00
As at March 31, 2022	**1.83**	**1.83**
Net carrying value		
As at March 31, 2021	**0.39**	**0.39**
As at March 31, 2022	**0.27**	**0.27**

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

Note 6 - Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Non current investment		
Investment in equity shares of associate (unquoted) (Considered at cost)		
Pearl Landcon Private Limited* Share of face value of ₹ 10 each (previous year: ₹ 10 each)	0.00	0.00
Profit share from associate accounted through equity method	0.00	0.00
Total (a)	**0.00**	**0.00**
Investment in government securities (unquoted) (carried at amortised cost)		
National saving certificate*	0.00	0.00
Total (b)	**0.00**	**0.00**
Total non-current investments (C) = (a + b)	**0.00**	**0.00**
Aggregate amount of unquoted investments	0.00	0.00

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

(i) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Note 7 - Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Current (unsecured, considered good)		
Loans given	1.84	2.12
Total	**1.84**	**2.12**

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on current loans.

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 8 - Others financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deposits with bank (with remaining maturity more than 12 months)(i)	0.34	0.09
Security Deposits-(unsecured, considered good)	2.76	3.33
Total	**3.10**	**3.42**
Current-(unsecured, considered good)		
Derivatives designated at fair value through profit or loss		
- For forward contracts(iv)	1.32	4.76
Incentive receivable from Government	17.59	17.59
Security Deposits	0.90	0.66
Other recoverable	0.19	0.92
Total	**20.00**	**23.93**

(i) Represents lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

(ii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iii) Refer note 41 and 42 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

(iv) Details of balance against derivative contracts:

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	0.62	0.74
Effect of mark-to-market on open contracts	0.70	4.02
Total	**1.32**	**4.76**

Note 9(a) - Tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non current tax assets		
Advance income tax (net of provisions)	0.23	0.11
Total	**0.23**	**0.11**

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets		
Advance income tax (net of provisions)	1.41	0.23
Total	**1.41**	**0.23**

Note 9(b) - Current tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	9.28	6.67
Total	**9.28**	**6.67**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 10 - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current (Unsecured, considered good)		
Capital advances	5.21	4.14
Prepaid expenses	0.02	0.08
Balance with government authorities	2.99	2.07
Total	**8.22**	**6.29**
Current (Unsecured, considered good)		
Advances to vendors	46.75	49.58
Advances to employees	2.92	2.09
Prepaid expenses	3.01	1.66
Balance with government authorities	20.65	14.10
Total	**73.33**	**67.43**

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on other current assets.

Note 11 - Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	125.15	100.06
Raw materials -in-transit	111.85	54.84
Work-in-progress	112.37	89.46
Finished goods (other than those acquired for trading)	72.50	34.86
Finished goods -in-transit	47.37	56.79
Traded goods	4.28	0.82
Stores and spares	26.69	15.09
Consumables	13.24	5.78
Total	**513.45**	**357.70**

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on inventories.

Note 12 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Trade receivables - considered good	109.65	59.38
Trade receivables - credit impaired	3.32	2.24
Less: allowance for expected credit losses	(3.32)	(2.24)
Total	**109.65**	**59.38**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Trade Receivables Ageing Schedule

As at March 31, 2022	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	73.38	34.76	0.51	0.77	0.23	-	109.65
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – Credit impaired	-	-	0.31	0.77	0.30	-	1.38
(iv) Disputed trade receivables-Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	-	0.40	1.54	1.94

Trade Receivables Ageing Schedule

As at March 31, 2021	Not Due	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	37.34	21.34	-	0.70	-	-	59.38
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – Credit impaired*	-	-	0.30	0.00	-	-	0.30
(iv) Disputed trade receivables-Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in Credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – Credit impaired	-	-	-	0.40	0.18	1.36	1.94

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

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on trade receivables

(ii) Refer note 41 for disclosure of fair values in respect of financial assets measured at amortised cost.

(iii) Refer note 42 for details of expected credit loss for trade receivables under simplified approach.

(iv) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Note 13 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	18.87	8.11
Cash on hand	0.96	0.50
Cheques on hand	3.59	2.71
Total	**23.42**	**11.32**

(i) Refer note 17 for hypothecation as securities with bank/ financial institutions on cash and cash equivalents.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 14 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked balances with banks in current accounts		
- Unclaimed dividend account[(i)]	0.06	0.06
Balance held as margin money against borrowings (with original maturity more than 3 months but remaining maturity less than 12 months)[(ii)]	5.59	5.95
Deposits with banks (with original maturity more than 3 months but remaining maturity less than 12 months)	3.45	2.53
Total	**9.10**	**8.54**

(i) These balances are not available for use by the Group and corresponding balance is disclosed as unclaimed dividend under the head "Other current financial liabilities".

(ii) Includes interest accrued but not due amounting to ₹ 0.04 Crores (Previous year: ₹ 0.04 Crores)

(iii) Refer note 17 for hypothecation as securities with bank/ financial institutions on bank balances other than cash and cash equivalents.

(iv) Refer note 34 for fixed deposits given as bank guarantees.

Note 15 - Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹ 2 each	8,50,00,000	17.00	7,50,00,000	15.00
	8,50,00,000	17.00	7,50,00,000	15.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 2 each	6,90,37,914	13.81	6,90,37,914	13.81
Total	**6,90,37,914**	**13.81**	**6,90,37,914**	**13.81**

(a) Changes in equity share capital during the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Balance as at the beginning of the year	6,90,37,914	13.81	6,90,37,914	13.81
Closing at the end of the year	**6,90,37,914**	**13.81**	**6,90,37,914**	**13.81**

(b) Terms/ rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a face value of ₹ 2 per share. Each equity shareholder is entitled to one vote per share held. The Holding Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(c) Shareholder holding more than 5 percent shares*

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Mr. Rajat Agrawal	3,30,49,789	47.87%	3,30,49,265	47.87%
Agrawal Family Private Trust	1,73,48,025	25.13%	1,73,48,025	25.13%

* As per records of the holding company, including its register of members.

(d) During the five years immediately preceding 31 March 2022, the Holding Company has neither allotted any bonus shares nor have any shares been bought back.

(e) No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(f) Dividend

The Board of Directors of the Holding Comapny, in its meeting held on January 29 2022, had recommended an interim dividend of ₹ 3.00 per equity share (Previous Year 1.10) of ₹ 2 each amounting to ₹ 20.32 Crores* (Previous Year 7.44 Crores) for the financial year ended March 31, 2022, which was transferred to a separate bank account on February 2, 2022, has been paid during the quarter ended March 31, 2022. The interim dividend stated above does not include amount paid to Gravita Employee Welfare Trust by the Holding Company.

(g) Details of equity shares held by Promoters in the company as at the end of year :

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mr. Rajat Agrawal*	3,30,49,789	47.87%	0.00%	3,30,49,265	47.87%	-
Dr. Mahavir Prasad Agarwal Trustee on Behalf of Agrawal Family Private Trust	1,73,48,025	25.13%	-	1,73,48,025	25.13%	-

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

Note16 - Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Securities premium	42.70	42.70
General reserve	5.18	5.18
Retained earnings	325.76	210.17
Cash flow hedging reserve	(0.39)	(0.19)
Legal reserve	0.63	0.63
Treasury shares	(7.84)	(7.84)
Foreign currency translation reserve	7.00	4.47
Total	**373.04**	**255.12**

Description of nature and purpose of each reserve

(a) Security premium

The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(b) General reserve

The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

(c) Retained earnings

Retained earnings represents surplus in Statement of Profit and Loss.

(d) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

(e) Foreign currency translation reserve

The Group recognises exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in foreign currency translation reserve in other equity. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Statement of Profit and Loss on disposal of foreign operation.

(f) Treasury shares

Treasury shares represent Holding Company's own equity shares held by the Gravita Employee Welfare Trust [a trust set up for administration of Stock Appreciation Rights Scheme 2017 of the Holding Company].

(g) Legal reserve

Gravita Mozambique LDA (step-down subsidiary of the Holding Company) has created a legal reserve of 5% of the profits of the accounting year. The reserve balance at any time shall not exceed 20% of the share capital of Gravita Mozambique LDA.

Note17 - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowings		
Secured		
Term loans		
- From banks	86.64	53.97
- from institutions other than banks	52.50	24.91
Vehicle Loan	4.54	3.22
Less: Loan processing fees	(1.49)	(1.24)
	142.19	**80.86**
Less: Current maturities of non-current borrowings disclosed under current borrowings	(32.66)	(29.62)
Total	**109.53**	**51.24**
Current borrowings		
Secured loans - from banks		
Cash credit / overdraft	96.58	40.22
Packing credit	54.50	81.36
Buyers credit	7.13	22.24
Suppliers credit	-	1.51
Working capital demand loan	62.82	29.98
Current maturities of non-current borrowings	32.66	29.62
Unsecured - from other parties		
Short term facility	24.20	-
Total	**277.89**	**204.93**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

i There is no default in repayment of principal repayment or interest thereon.

ii **Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:**

1. **Vehicle loans**

Vehicle loan from banks of ₹ 4.54 crores (March 31, 2021: ₹ 3.22 crores) carry interest ranging from 6.55% p.a. to 8.50% p.a. (Previous year: 4.63% p.a. to 9.90% p.a.) The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 31 to 84 months.

2. **Term loans from bank**

A. ICICI Term Loan of ₹ 8.58 crores (March 31, 2021: ₹ 13.07 crores) @ 4.47% p.a. (Previous year: 4.47% p.a.). The loan is repayable in 16 quarterly installments commencing from February 2020 and ending in November 2023. The loan is secured by way of following:

1. Exclusive charge on industrial Land, Building and Other Assets located at Plot No. PA-011-006,SEZ, Village kalwara, Tehsil Sanganer, Jaipur of the Holding Company.

2. Personal guarantee of Managing Director Mr. Rajat Agrawal.

B. PNB Term Loan of ₹ 0.44 crores (March 31, 2021: ₹ 0.41 crores) @ 9.15% p.a. (Previous year: 9.45% p.a. to 10.30% p.a.). The loan is repayable in 22 quarterly installments commencing from October 2017 and ending in January 2023.

The loan is secured by way of following:

1 First pari-passu charge on the entire block assets present and future of the Chittoor plant.

2 Second pari-passu charge on following Immovable Properties:

-Land and Building at Jaychand Ka Bas Harsulia Mod Diggi Malpura Road, Phagi, Jaipur Kasara no. 209/1/5/3, 209/1/4/1, 209/1/5/1 and 209/1/5/2.

-Flat no. 203, 302, 401 and 403 located in Rajputana Tower situated at plot no , A-27-B, Tilak Nagar, Shanti Path, Jaipur

-Residential Land & H No. 3/90, Mansarovar, Jaipur"

3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

4 Corporate guarantee of M/s Gravita Impex Private Limited (Related Party).

C. Bandhan Bank Term Loan of ₹ Nil (March 31, 2021: ₹ 7.32 crores @ 10.50% p.a.). The loan was repayable in 48 monthly installments commencing from March 2020 and ending in February 2024 but the same has been Prepaid in March 2022.

The loan was secured by way of following:

1. First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

2. First Pari-passu charge by way of mortgage over moveable industrial property in the name of Company situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

D. Bandhan Bank Term Loan of₹ Nil (March 31, 2021: ₹ 7.71 crores @ 10.50% p.a.) .The loan is repayable in 48 monthly instalments commencing from May 2020 and ending in March 2024. The said loan was Pre Paid in FY21-22.The loan is secured by way of following:

1. First Pari-passu charge by way of Hypothecation over moveable fixed assets of Borrower at Chittoor Plant situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

2. First Pari-passu charge by way of mortgage over movable industrial property in the name of Company situated at situated at Survey No. 233/15 to 233/30 Tiruthani Road, Ananthapuram-Panchayat Narasingharayani Post Chittoor, Andhra Pradesh with Punjab National Bank.

3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

E Covid Loan of ₹ 3.14 crores (March 31, 2021: ₹ 16.54 crores @ 6.90% p.a. to 8.00% p.a.) @ 6.90% p.a. to 8.00% p.a. The loan is for 24 months with 6 month moratorium and repayable in 18 monthly installments commencing from January 2021. The loan will be secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

F GECL Loan of ₹ 31.35 crores (March 31, 2021: ₹ 8.92 crores @ 8.35% p.a.) @ 7.65% to 8.35% p.a. The loan is for 60 months with 12 months moratorium and repayable in 48 monthly installments commencing from January 2022 and ending in August 2026. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(V) below) held with consortium of bankers.

G GECL Loan of ₹ 7.45 crores (March 31, 2021: ₹ Nil) @ 7.25% to 8.24% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from April 2024 and ending in March 2028. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(v) below) held with consortium of bankers.

H. GECL Loan of ₹ 4.40 crores (March 31, 2021: ₹ Nil) @ 8.25% p.a. The loan is for 72 months with 24 months moratorium and repayable in 48 monthly installments commencing from January 2024 and ending in December 2027. The loan granted under GECL shall rank second charge with the existing credit facilities in terms of cash flows (including repayments) and secured over the all exiting primary and collateral security (mentioned in note 17(V) below) held with consortium of bankers.

I. Term Loan of ₹ 31.28 crores (March 31, 2021: ₹ Nil) @ 8.50% p.a.. The loan is for 60 months with 12 month moratorium and repayable in 16 Quarterly installments commencing from December 2022 and ending in September 2026. The loan will be secured over the fixed assets of Mundra Plant Situated at Survey no.43.Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujarat).

3. Term loans from institutions other than banks

A. TATA Term Loan of ₹ 16.31 crores (March 31, 2021₹ 9.47 crores) @ 8.75% p.a. (Previous year: 10.50% p.a.). The loan is repayable in 60 monthly installments commencing from February 2020 and ending in December 2025. The loan is secured by way of following:

1. First Pari-passu charge shared by ICICI Bank by way of Hypothecation over moveable fixed assets of Borrower and at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.

2. First Pari passu Charge shared by ICICI Bank by way of mortgage over industrial property situated at Plot No. PA-011-006, Mahindra Sez, Village Kalwara, Tehsil Sanganer Distt-Jaipur.

3. Personal guarantee of Managing Director Mr. Rajat Agrawal.

B. Bajaj Term Loan of ₹ 4.00 crores (March 31, 2021: ₹ 5.60 crores) @ 10.15% p.a. (Previous year: 10.00% p.a. to 10.15% p.a.). The loan is repayable in 60 monthly installments commencing from October 2019 and ending in September 2024.The loan will be further secured by way of following:

1. Personal guarantee of Managing Director Mr. Rajat Agrawal.

2. First pari-passu charge over land and building of the company situated at Phagi Jaipur.

3. Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur."

C. Bajaj Term Loan of ₹ 32.19 crores (March 31, 2021: ₹ . 9.84 crores) @ 7.90% to 9.00% p.a. (Previous year: 9% p.a.). The loan is repayable in 60 monthly installments commencing from March 2021 and ending in February 2027. The loan will be secured by way of following:

1. First pari-passu charge on the entire block of fixed assets present and future of the Chittoor plant.

2. Personal guarantee of Managing Director Mr. Rajat Agrawal.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

iii. Security disclosure for the outstanding current borrowings are as follows:

Loans from banks are secured by way of:

1. First pari-passu charge over the entire current assets of the GIL including raw material, stock in process, finished goods including stocks in transit and those lying in godowns, ports, etc and book debts (both present and future).
2. Hypothecation of receivables and all kind of stocks of raw material, semi finished goods, finished goods consumables including stocks in transit in the name of M/s Gravita Metal Inc.
3. First pari-passu charge on the entire fixed assets of the Company both present and future, excluding, vehicles, Assets situated at Plot No. P.A. 011-006, Light Engineering Zone, Mahindra World City - SEZ, Jaipur, Assets of Survey no. 233/15 to 233/30, Tiruthani Road, Ananthapuram-panchayat, Narasingharayani Pettah - Post Chittoor, Andhra Pradesh, Assets situated at Survey no.43.Near National highway no.8A, Patri Gundala road, Village Gundala,Taluka Mundra, Kutch (Gujrat) and Flat no.402, Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur. but including the following:

   -Flat no. 302, 401, 403 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur.

   -Land and building at Jai Chand ka Bas, Diggi Malpura Road, Phagi, Jaipur."
4. First pari-passu charge on Land and house at 3/90, HIG, Mansarovar, Jaipur of Gravita Impex Private Limited (related party) and Flat no. 203 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Managing Director Mr. Rajat Agrawal.
5. Personal guarantee of Managing Director Mr. Rajat Agrawal.
6. Corporate guarantee of M/s Gravita Impex Private Limited (related party).
7. Second pari passu charge on the fixed assets of Chittoor Plant.
8. Corporate guarantee of M/s Noble Buildestate Private Limited (related party).
9. Land and building situated at B-11A, Malviya Industrial area, Jaipur of Noble Buildestate Private Limited.
10. Mortgage of Lease hold rights of factory land measuring 2.50 kanals, bearing plot no. 25 & 26, situated at SICOP, Industrial Area, Kathua (J&K) in the name of M/s Gravita Metal Inc.
11. Hypothecation of Plant and Machinery and other fixed assets of the M/s Gravita Metal Inc. (present & future) situated at SICOP, Industrial Area, Kathua (J&K)
12. Mortgage of Flat along with Furniture Fiztures bearing No. 102, Rajputana Tower A-27B Shanti Path Tilak Nagar Jaipur standing in the name of Gravita Infotech Limited.
13. Primary Mortgage over stock in trade, book debts, leasehold land, immovable plant and machinery situated at Plot No.27 A, Mirigama EPZ, Mirigama, Sri Lanka in the name of Navan Lanka Limited.
14. Charge over Fixed and floating assets and Real Property owned by Recycler Ghana Limited.
15. First ranking legal mortgage over the Derivative Right entered between the EPZA and Gravita Tanzania Limited (The Derivative Right) at Plot No. 7, Block "A", Zegereni, Kibaha Township, Tanzania.
16. First ranking debenture over all assets of the Gravita Tanzania Limited.
17. Director's Guarantee and indemnity executed by Manesh Kumar Jangir and Surendra Singh Hada.
18. Corporate guranatee of Gravita India Limited and Gravita Infotech Limted.
19. Corporate guarantee of Gravita Netherlands BV.

iv. Rate of Interest for Current borrowings

The Group's current borrowings facilities have an effective weighted-average contractual rate of 6.29 % per annum (March 31, 2021 :7.49 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

v. Collateral:

Inventory, trade receivables, other current assets, other current financial assets, property, plant and equipment, capital work-in-progress with a net carrying amount of ₹ 655.76 crores and ₹ 640.44 crores are given as collateral/ security against the borrowings as at March 31, 2022 and March 31, 2021, respectively.

vi Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 18 - Lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	3.15	3.24
Current	0.55	1.68
Total	**3.70**	**4.92**

i. Disclosures on lease pursuant to Ind AS 116 - Leases

The Group has leases for the factory lands, buildings, equipment, etc. Also, the Group has a leasehold land at Jaipur and Sri Lanka.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Group is prohibited from selling or pledging the underlying leased assets as security against the Group's other debts and liabilities.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset ("ROU") recognised on balance sheet:

As at 31 March 2022

Right-of-use asset	Number of right-of-use assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	7	6.86 - 83.44	-	-
Plant and machinery	11	0.01 - 1.42	-	-
Building	10	3.30 - 4.26	-	-

As at 31 March 2021

Right-of-use asset	Number of right-of-use assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Land	7	7.86 - 84.44	-	-
Plant and machinery	11	0.92 - 2.42	-	-
Building	10	0.25 - 4.76	-	-

ii. The following are amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right-of-use assets	1.78	2.21
Interest expense on lease liabilities	0.60	0.67

iii. Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right to use the underlying asset recognised in the financial statement. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 3.82 Crores (Previous year: ₹ 2.89 Crores).

Total cash outflow for leases for the year ended March 31, 2022 was ₹ 6.01 Crores (Previous year: ₹ 5.90 Crores).

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

iv. Maturities of lease liabilities

The lease liabiltiies are secured by the related underlying assets. Future minimum lease payments were as follows:

Particulars	Lease payments	Interest expense	Net present values
March 31, 2022			
Not later than 1 year	0.85	0.30	0.55
Later than 1 year but not later than 5 years	2.70	0.80	1.90
Later than 5 years	1.91	0.66	1.25
Total	**5.46**	**1.76**	**3.70**
March 31, 2021			
Not later than 1 year	2.08	0.39	1.69
Later than 1 year but not later than 5 years	2.50	0.86	1.64
Later than 5 years	2.58	0.99	1.59
Total	**7.16**	**2.24**	**4.92**

v. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost.

Note 19 - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current		
Employee share appreciation rights (refer note 44)	4.73	-
Total	**4.73**	**-**
(b) Current		
Interest accrued but not due on borrowings	0.40	0.36
Unclaimed dividends[(i)]	0.06	0.06
Derivatives designated at fair value through profit and loss[(ii)]	4.50	-
Payable under supply chain financing arrangement[(v)]	80.28	23.08
Creditors for capital goods	0.18	0.22
Others	1.58	0.08
Total	**87.00**	**23.80**

(i) As at March 31, 2022, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

(ii) Details of balance against derivative contracts

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money	(0.20)	-
Effect of marked to market on open contracts	4.70	-
Total	**4.50**	**-**

(iii) Above mentioned Other current financial assets have been hypothecated as securities with banks/ financial institutions, refer note 17 for details.

(iv) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

(v) Represents channel financing facility availed by the Company, which is a part of the supply chain financing arrangement with the channel financing partners, for amount payable to MSME vendors through TReDS portal.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 20 - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current provisions for (refer note 43)		
- Gratuity (refer note 43)	3.89	2.89
- Compensated absences (refer note 43)	1.19	0.74
- Other employee benefits	-	0.84
- Provision for Statutory Liability	4.00	-
Total	**9.08**	**4.47**
Current provisions for		
- Gratuity (refer note 43)	0.51	0.39
- Compensated absences (refer note 43)#	0.41	0.04
- Other employee benefits	-	0.05
Total	**0.92**	**0.48**

Includes short term provision for casual leaves as at 31 March 2022 amounting to ₹ . 0.31 crores (Previous Year Nil).

Note 21 - Deferred tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liability arising on account of:		
Property, plant and equipment and other intangible assets	9.95	8.24
Incentive income	0.12	0.44
Foreign currency translation reserve	-	3.06
Other temporary differences	0.26	0.22
Gross deferred tax liabilities	**10.33**	**11.96**
Deferred tax asset arising on account of:		
Provision for employee benefits and other liabilities deductible on actual payment	1.32	1.37
Allowances for expected credit losses	1.16	0.78
Foreign currency translation reserve	0.85	-
Right-of-use assets and lease liabilities	0.12	0.14
Cash flow hedge reserve	0.22	0.10
Unrealised gain on unsold stock	1.07	3.07
Gross deferred tax assets	**4.74**	**5.46**
Minimum alternate tax (MAT) credit entitlement	4.09	4.09
Deferred tax liabilities (net)	**1.50**	**2.41**

No deferred tax asset has been recognised on tax losses of ₹ 5.37 crores (March 31, 2021: ₹ 5.91 crores) pertaining to the indian subsidiaries of the Group, considering there is no probability which demonstrates realisation of deferred tax asset in the near future.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Deferred tax movements

Particulars	Opening balance	Credit/ (Charge) in Statement of Profit and loss	Credit/ (Charge) in other comprehensive income	Closing balance
For the year ended March 31, 2022				
Property, plant and equipment and other intangible assets	(8.24)	(1.71)	-	**(9.95)**
Incentive income	(0.44)	0.32	-	**(0.12)**
Foreign currency translation reserve	(3.06)	3.08	0.83	**0.85**
Provision for employee benefits and other liabilities deductible on actual payment	1.37	(0.03)	(0.02)	**1.32**
Allowances for expected credit losses	0.78	0.38	-	**1.16**
Right-of-use assets and lease liabilities	0.14	(0.02)	-	**0.12**
Cash flow hedge reserve	0.10	0.01	0.11	**0.22**
Unrealised gain on unsold stock	3.07	(2.00)	-	**1.07**
MAT credit entitlement	4.09	-	-	**4.09**
Other temporary differences	(0.22)	(0.04)	-	**(0.26)**
Total	**(2.41)**	**(0.01)**	**0.92**	**(1.50)**
For the year ended March 31, 2021				
Property, plant and equipment and other intangible assets	(8.47)	0.23	-	**(8.24)**
Incentive income	(0.63)	0.19	-	**(0.44)**
Foreign currency translation reserve	(2.42)	-	(0.63)	**(3.06)**
Provision for employee benefits and other liabilities deductible on actual payment	1.54	(0.19)	0.01	**1.37**
Allowances for expected credit losses	1.94	(1.16)	-	**0.78**
Right-of-use assets and lease liabilities	0.09	0.04	-	**0.14**
Cash flow hedge reserve	0.28	-	(0.18)	**0.10**
Unrealised gain on unsold stock	1.25	1.83	-	**3.07**
MAT credit entitlement	4.06	0.03	-	**4.09**
Other temporary differences	(0.25)	0.03	-	**(0.22)**
Total	**(2.61)**	**1.00**	**(0.80)**	**(2.41)**

(iii) There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts in the absence of convincing evidence of utilization during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income-tax Act, 1961:

Assessment year (AY) to which MAT credit pertains	Expiry date	March 31, 2022	March 31, 2021
2019-20	2034-35	3.95	3.95
2020-21	2035-36	5.50	5.50
2021-22	2036-37	3.81	3.81
2022-23	**2037-38**	**3.66**	**-**
Total		**16.92**	**13.26**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Assessment year (AY) to which unabsorbed losses pertains	Expiry date	March 31, 2022	March 31, 2021
2014-15	2022-23	0.17	0.17
2015-16	2023-24	1.04	1.04
2016-17	2024-25	0.20	0.20
2017-18	2025-26	0.73	0.73
2018-19	2026-27	0.00	0.00
2019-20	2027-28	0.44	0.44
2020-21	2028-29	0.78	0.78
2021-22	2029-30	0.75	0.75
2022-23	2030-31	0.31	-
		4.42	**4.11**

Assessment year (AY) to which unabsorbed depreciation pertains	March 31, 2022	March 31, 2021
Upto 2012-13	0.21	0.21
2013-14	0.25	0.25
2014-15	0.22	0.22
2015-16	0.25	0.25
2016-17	0.27	0.27
2017-18	0.20	0.20
2018-19	0.04	0.04
2019-20	0.13	0.13
2020-21	0.11	0.11
2021-22	0.11	0.11
2022-23	0.09	-
	1.88	**1.79**

Note 22 - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred government grants[(i)] [refer note 24(ii)]	0.16	0.18
Total	**0.16**	**0.18**
Current		
Revenue received in advance	13.55	9.84
Deferred government grants[(i)] [refer note 24[(ii)]]	0.02	0.02
Statutory dues payable	1.16	1.69
Other payables	0.91	2.24
Total	**15.64**	**13.79**

(i) Movement of deferred government grants

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	0.20	0.23
Released during the year	(0.02)	(0.03)
At the end of the year	**0.18**	**0.20**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 23 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises[(i)]	1.08	0.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	76.14	135.19
Total	**77.22**	**135.49**

Ageing Schedule of trade payable

As at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.02	1.06	-	-	-	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.71	72.90	2.09	-	0.44	76.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2021	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises*	0.00	0.30	-	-	-	0.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.34	133.75	0.44	0.66	-	135.19
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of credotors other than micro enterprises and small enterprises	-	-	-	-	-	-

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

(i) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006') at the year end are mentioned below. The same has been relied upon by the auditors.

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.08	0.30
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year*	0.00	0.02
iii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
v) The amount of interest accrued and remaining unpaid at the end of the accounting year*	0.00	0.02
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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

(ii) Refer note 41 and 42 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

Note 24 - Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating revenue[(i)]		
Sale of products		
Manufactured/ Recycled goods	1,953.97	1,395.73
Traded goods	252.05	9.92
Sale of services	0.08	0.09
Other operating revenue		
Export incentives including amortisation of government grant[(ii)] & [(iii)]	7.52	3.02
Job work income	0.30	0.27
Scrap sales	1.95	0.72
Total	**2,215.87**	**1,409.75**

(i) Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by Product type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue by product type:		
Lead	1,860.49	1,230.39
Aluminium	206.77	94.78
Turnkey projects	5.74	2.96
Plastics	131.38	77.31
Others	1.64	0.21
Revenue from sale of services	0.08	0.09
Total	**2,206.10**	**1,405.74**
Revenue by time:		
Revenue recognised at point in time	2,206.10	1,405.74
Total	**2,206.10**	**1,405.74**

Summary of the significant accounting policies and other explanatory information

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(All amounts in ₹ Crores, unless otherwise stated)

(b) Trade receivables and contract balances

The group present the right to consideration in exchange for sale of promised products/ service as Trade receivable in financial statements. A receivable is a right to consideration that is unconditional upon passage of time. Trade receivable are presented net of impairment (if any) in the Balance Sheet. Further, impairment of bad and doubtful debts has been created based on expected credit loss method as prescribed in Ind AS 109. Refer note 41 for details of expected credit loss for trade receivables under simplified approach.

(c) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at beginning of the year	**9.84**	**1.42**
Net Moment during the year	3.71	8.42
Balance at the end of the year	**13.55**	**9.84**

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract price	2,213.18	1,407.69
Less: discount, rebates, credits etc.	(7.08)	(1.95)
Revenue from operations as per Statement of Profit and Loss	**2,206.10**	**1,405.74**

(ii) The Holding Company's recycling facility at Chittoor, was eligible for incentives available under "Industrial Development Policy 2015-2020", notified by the Andhra Pradesh government. Under the scheme the plant had been granted "Small Industry" status and was eligible for incentives like, power cost reimbursement, Interest reimbursement, refund of sales tax/State Goods and services tax paid in cash, etc. Based on such policy, the Group had recognised the incentive computed based on SGST paid to Government of Andhra Pradesh. Further, in terms of the Ind AS 20 - "Accounting for Government Grants and Disclosure of Government Assistance", eligible incentive as mentioned above is credited to Statement of Profit and Loss and included under the head "Other operating revenue" on accrual basis. Further, the Group was also entitled for capital grant of ₹ 0.26 crores out of which ₹ 0.02 (March 31, 2021: ₹ 0.03 crores) has been recognised as Amortisation of government grant under the head "Other operating revenue" and balance amount of ₹ 0.18 crores (March 31, 2021: ₹ 0.20 crores) has been recognised as Deferred government grants under head "Other current liabilities".

(iii) During current year, the amount of ₹ 3.05 crores (Previoys year : NIL) has been recognised under the head "other oerating revenue", which has been credited under under electronic credit ledger under RoDTEP scheme. Out of the amount credited nothing has been utilised during the year ended March 31, 2022.

Note 25 - Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from financial assets measured at amortised cost:		
Bank deposits	0.40	0.43
Others	0.48	0.39
Other non-operating income		
Liabilities/ provision no longer required written back	0.81	0.36
Miscellaneous income	1.56	0.35

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other gains and losses		
Gain on disposal of property, plant and equipment (net)	0.11	-
Gain on sale of Investment (net)	0.43	-
Gain on foreign currency exchange fluctuation (net)	3.48	0.95
Derivatives measured at fair value through profit and loss		
- Gain on foreign currency forward contracts	0.57	1.39
- Gain on commodity forward contracts	-	3.30
Total	**7.84**	**7.17**

Note 26 - Cost of materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials consumed(i)	1,753.92	1,206.46
Total#	**1,753.92**	**1,206.46**

#Cost of Material consumed includes packing material and other anciliary products which are used for manufacturing.

(i) inclusive of goods-in-transit

Note 27 - Purchases of traded goods

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Re-melted/ Refined Lead ingots	20.88	8.43
Aluminium and Others	23.32	-
Total	44.20	**8.43**

Note 28 - Changes in inventories of finished goods, work-in-progress and traded goods

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Finished goods(i)	91.65	47.73
Work-in-progress	89.46	50.04
Traded goods	0.82	1.68
Less: Closing stock		
Finished goods(i)	119.87	91.65
Work-in-progress	112.37	89.46
Traded goods	4.28	0.82
Change in inventory of finished goods, work-in-progress and traded goods	**(54.59)**	**(82.48)**

(i)inclusive of goods-in-transit

Note 29 - Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	88.61	66.21
Contribution to provident and other funds (refer note 43)	4.15	2.67
Employee share appreciation rights expense (refer note 44)	4.73	-
Staff welfare expenses	5.26	4.02
Total	**102.75**	**72.90**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 30 - Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest costs on		
- Borrowings	24.26	21.53
- Lease liabilities	0.60	0.67
- Others	-	0.98
Foreign exchange fluctuation to the extent regarded as an adjustment to borrowing costs	5.69	2.85
Other borrowing costs*	3.00	1.84
Total	**33.55**	**27.87**

* includes discounting charges, filing charges etc.

Note 31 - Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	18.59	17.83
Amortisation of intangible assets	0.19	0.26
Depreciation of right-of-use assets	1.78	2.21
Total	**20.56**	**20.30**

Note 32 - Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	16.77	14.49
Rates and taxes	10.55	7.95
Legal and professional fees	3.49	2.30
Repairs and maintenance		
- Plant and machinery	19.40	13.88
- Building	1.10	0.84
- Others	3.10	2.09
Freight and forwarding	46.40	26.17
Travelling and conveyance	5.23	2.98
Insurance	0.87	0.47
Rent (refer note 18)	3.82	2.89
Advertising and sales promotion	5.78	1.89
Donations and scholarships	0.08	0.52
Payment to auditors[(i)]	1.04	0.67
Allowance for expected credit loss on financial assets	1.08	-
Net loss on foreign currency transactions and translation	0.20	-
Loss on disposal /discard of property, plant and equipment	2.13	6.27
Expenditure on corporate social responsibility	0.64	0.88
Bank charges	4.44	3.10
Contractual labour expenses	1.70	1.09
Other financial assets written off	1.48	-
Derivatives measured at fair value through profit or loss		
- Loss on commodity forward contracts	24.31	-
Miscellaneous expenses	5.07	4.05
Total	**158.68**	**92.53**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(i) Payment to auditors (excluding taxes)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
- Audit fee	0.63	0.60
In other capacity		
- Certification and other matters	0.37	0.01
- Reimbursement of out of pocket expenses	0.04	0.06
Total	**1.04**	**0.67**

Note 33 - Tax expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
In respect of current year	16.05	13.92
In respect of earlier year	0.13	1.15
	16.18	**15.08**
Deferred tax		
In respect of current year	0.01	(0.97)
Minimum alternate tax credit created during the current year	-	(0.03)
	0.01	**(1.00)**
Income tax expense reported in the Consolidated Statement of Profit and Loss	**16.19**	**14.08**
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Accounting profit before tax	164.64	70.91
Statutory income tax rate*	34.94%	34.94%
Tax expense at statutory income tax rate	57.53	24.78
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Effect of income that is exempt from taxation	(32.79)	(13.66)
Effect of expenses that are not deductible in determining taxable profit	1.80	4.28
Effect of different tax rates of subsidiaries operating in other jurisdictions	(10.19)	(2.47)
Deferred tax liabilities not recognised on temporary difference, which will reverse within the tax holiday period	(0.16)	(0.70)
Movement in tax provision relating to earlier years	0.13	1.15
Others	(0.12)	0.70
Income tax expense recognised in Consolidated Statement of Profit and Loss	**16.19**	**14.08**

Deferred tax has not been created on incentive income/ receivable in chittor plant of the Holding Company, considering the same will be realised in the period of exemption available under section 80IA of Income tax Act, 1961.

*The Companies operating under different jurisdiction have different tax rates and some entities operate under trade free zone. However, for purpose of consolidation, tax rate applicable on the holding company has been assumed as standard tax rate.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Income tax recognised in Other compherensive income

Particulars	March 31, 2022			March 31, 2021		
	Before tax	Tax Expenses/ (Benefits)	Net of Tax	Before tax	Tax Expenses/ (Benefits)	Net of Tax
Remeasurement of defined benefit plans	0.05	(0.02)	0.03	(0.04)	0.01	(0.03)
Change in fair value of hedging instruments	(0.31)	0.11	(0.20)	0.51	(0.18)	0.33
Foreign currency translation reserve	(2.38)	0.83	(1.55)	1.82	(0.63)	1.19
Total	**(2.64)**	**0.92**	**(1.72)**	**2.29**	**(0.80)**	**1.49**

Note 34 - Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Bank guarantees		
- Bank guarantee given by the Group Companies	5.84	3.33
Claim against the company not acknowledged as debt(i)		
- Excise Duty/Customs Duty/Service Tax/Goods and Service Tax	4.29	5.54
- Value Added Tax/ Central Sales Tax/Entry Tax	-	3.29
Total	**10.13**	**12.16**

(i) All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its posittion to be upheld in the appeals pending before various appeallate authorities and no liability could arise on the Group on account of these proceedings.

(b) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	1.53	3.12
Other Commitments related to export obligations	16.16	1.30
Total	**17.69**	**4.42**

Note 35 - Dividend

Particulars	Dividend per share	Total dividend amount
For the year ended March 31, 2022		
Interim dividend for financial year 2021-22(iii)	refer note (i)	23.83
Total		**23.83**
For the year ended March 31, 2021		
Interim dividend for financial year 2020-21(iii)	refer note (ii)	7.44
Total		**7.44**

(i) Includes dividend declared by the Board of Directors of Holding Company in its meeting held on January 29, 2022 at the rate of ₹ 3.00 per share and one of the Subsidiary company Navam lanka Limited at the rate of LKR 220 Per share.

(ii) Includes dividend declared by the Board of Directors of Holding Company in its meeting held on January 28, 2021 at the rate of ₹ 1.10 per share.

(iii) it does not include amount paid to Gravita employee welfare trust by Holding Company.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 36 - Earning per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year attributable to owners of holding company (₹ in Crores) **(A)**	139.39	52.47
Total shares issued at the beginning of the year (in numbers) **(B)**	6,90,37,914	6,90,37,914
Less: Weighted average number of shares reserved under 'Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust at the beginning of the year **(C)**	13,80,500	7,28,000
Less: Weighted average number of shares acquired during the year under 'Stock Appreciation Rights Scheme 2017' held by Gravita Employee Welfare Trust **(D)**	-	3,06,859
Weighted-average number of equity shares for basic EPS (E) = (B - C - D)	**6,76,57,414**	**6,80,03,055**
Effect of dilution **(F)**	-	-
Weighted-average number of equity shares for diluted EPS (G) = (E + F)	**6,76,57,414**	**6,80,03,055**
Basic earnings per share (in Rs.) (A/E)	**20.60**	**7.72**
Diluted earnings per share (in Rs.) (A/G)	**20.60**	**7.72**

Note 37 - Reconciliation of liabilities arising from financing activities

Particulars	Non-current borrowing	Current borrowing	Lease liabilities
As at April 1, 2020	**42.90**	**229.65**	**6.75**
Cash inflow	34.03	-	-
Cash outflow	(26.07)	(24.21)	(3.01)
Non-cash changes			
- Recognition of lease liabilities	-	-	0.51
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	0.38	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	-	(0.51)	-
- Interest cost on lease liabilities	-	-	0.67
As at March 31, 2021	**51.24**	**204.93**	**4.92**
Cash inflow	103.69	-	-
cash outflow	(44.78)	72.65	(2.19)
Non-cash changes			
- Recognition of lease liabilities	-	-	1.04
- Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	(0.61)	-	-
- Unrealised foreign exchange (gain)/loss on restatement of foreign currency loans	(0.01)	0.31	-
- Disposals	-	-	(0.67)
- Interest cost on lease liabilities	-	-	0.60
As at March 31, 2022	**109.53**	**277.89**	**3.70**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 38 - Disclosure as per Section 186(4) of the Companies Act, 2013

Particulars	March 31, 2022		March 31, 2021	
	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
Investment in associate				
Pearl Landcon Private Limited*	0.00	0.00	0.00	0.00

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

Note 39 - Disclosure of effects of hedge accounting on financial position

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value in USD (Absolute number)	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
March 31, 2022							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	71,89,257	54.50	April 02, 2022 - September 26, 2022	1:1	₹ 73.40/ USD	0.30	0.30
March 31, 2021							
Cash flow hedge							
Pre-shipment credit in foreign currency (PCFCs)	11,068,417	81.36	May 30, 2021 - September 21, 2021	1:1	₹. 73.09/ USD	(2.01)	(2.01)

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive loss (income)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
For the year ended March 31, 2022				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	0.31		(0.01)	Finance cost and other income
For the year ended March 31, 2021				
Cash flow hedge				
Pre-shipment credit in foreign currency (PCFCs)	(0.51)	-	(1.50)	Finance cost and other expenses

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(c) Movements in cash flow hedging reserve

Particulars	March 31, 2022	March 31, 2021
Amount at the beginning of the year	0.19	0.52
Add: Changes in value of PCFCs	0.30	(2.01)
Less: Amount reclassified to profit or loss	0.01	1.50
Less: Deferred tax relating to above (net)	(0.11)	0.18
Amount at the end of the year	**0.39**	**0.19**

Note 40 - Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Group is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. The Group's management reviews the capital structure of the Group on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Group also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBIDTA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

The following table summarises the capital of the Group:

Particulars	March 31, 2022	March 31, 2021
Total equity	386.85	268.93
Non-current borrowings	109.53	51.24
Current borrowings (including current maturities)	277.89	204.93
Total capital (Debt + Equity)	**774.27**	**525.10**

Note 41 - Financial Instruments

A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	March 31, 2022		March 31, 2021	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets					
Investments*(i)	6	0.00	-	0.00	
Trade receivables	12	109.65	-	59.38	-
Other financial assets	8	22.40	-	23.33	-
Derivative assets	8	-	0.70	-	4.02
Loans	7	1.84	-	2.12	-
Cash and cash equivalents	13	23.42	-	11.32	-
Bank balances other than cash and cash equivalents	14	9.10	-	8.54	-
Total financial assets		**166.41**	**0.70**	**104.69**	**4.02**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	March 31, 2022		March 31, 2021	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Financial liabilities					
Non -current borrowings	17	109.53	-	51.24	-
Current borrowings	17	277.89	-	204.93	-
Lease liabilities	18	3.70	-	4.92	-
Trade payables	23	77.22	-	135.49	-
Other financial liabilities	19	87.04	-	23.80	-
Derivative liabilities	19	-	4.70	-	-
Total financial liabilities		**555.38**	**4.70**	**420.37**	**-**

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

(i) Investment in associate is measured at using equity method of accounting and hence, not presented here.

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Note	Level 1	Level 2	Level 3	Total
As at March 31, 2022					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	0.70	-	**0.70**
Derivative liabilities	19	-	4.70	-	**4.70**
As at March 31, 2021					
Financial assets measured at fair value through profit or loss					
Derivative assets	8	-	4.02	-	**4.02**

Valuation process and technique used to determine fair value

i. The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.

iii. The Group enters into commodity contracts with financial institutions for hedging price risk of lead arising from its import and export. Fair values of such contracts are determined based on observable rates of the commodity for similar contracts for the remaining maturity on the balance sheet date.

iv. There are no significant changes in value of level 3 investment measured at fair value through other comprehensive income.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	Note	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
Non-current financial assets					
Investments	6	0.00	0.00	0.00	0.00
Security deposits	8	2.76	2.76	3.33	3.33
Deposits with bank (with remaining maturity more than 12 months)	8	0.34	0.34	0.09	0.09
Non-current financial liabilities					
Borrowings	17	109.53	109.53	51.24	51.24
Lease liabilities	18	3.15	3.15	3.24	3.24

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

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables, current lease liabilities and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

i. Non-current loans and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual credit worthiness of the counterparty/borrower and other market risk factors.

ii. The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

iii. Long term borrowing facilities availed by the Group which are variable rate facilities, are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

Note 42 - Financial Risk Management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

I. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by loans, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

The Group provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, trade receivables, cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	6 month expected credit loss
High credit risk	Trade receivables	Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk

Particulars	Note	March 31, 2022	March 31, 2021
Low credit risk			
Loans	7	1.84	2.12
Security deposits	8	3.66	3.99
Trade receivables	12	109.65	59.38
Cash and cash equivalents	13	23.42	11.32
Bank balances other than cash and cash equivalents	14	9.10	8.54
Other financial assets (including derivative assets)	8	19.44	23.36
High credit risk			
Trade receivables	12	3.32	2.24
Total		**170.43**	**110.95**

(i) Investment in associate is measured at using equity method of accounting and hence, not presented here.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Derivative financial instruments

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Group. The Group has also taken advances from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Group recognises a impairement for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans to related parties, loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

(b) Expected credit losses for financial assets

(i) Financial assets (other than trade receivables)

Group provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash & cash equivalents, other bank balances and derivative financial instruments - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

For security deposits paid - Credit risk is considered low because the Group is in possession of the underlying asset.

For other financial assets - Credit risk is evaluated based on Group knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Particulars	Notes	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2022					
Cash and cash equivalents	13	23.42	0.00%	-	23.42
Bank balances other than cash and cash equivalents	14	9.10	0.00%	-	9.10
Loans	7	1.84	0.00%	-	1.84
Security deposits	8	3.66	0.00%	-	3.66
Other financial assets	8	19.44	0.00%	-	19.44
March 31, 2021					
Cash and cash equivalents	13	11.32	0.00%	-	11.32
Bank balances other than cash and cash equivalents	14	8.54	0.00%	-	8.54
Loans	7	2.12	0.00%	-	2.12
Security deposits	8	3.99	0.00%	-	3.99
Other financial assets	8	23.36	0.00%	-	23.36

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Reconciliation of loss allowance provision for loans from beginning to end of reporting period:

Particulars	Loans
Loss allowance as at April 1, 2020	1.82
Changes in loss allowance	(1.82)
Loss allowance as at March 31, 2021	-
Changes in loss allowance	-
Loss allowance on March 31, 2022	**-**

(ii) Expected credit loss for trade receivables under simplified approach

As at March 31, 2022 and March 31, 2021, the Group considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 6 months after the reporting date. In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Particulars	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Net carrying amount after impairment provision
March 31, 2022				
Amount not yet due	73.38	0.00%	-	73.38
Between one to six month overdue	34.76	0.00%	-	34.76
Greater than six month overdue	4.83	68.74%	3.32	1.51
Total	**112.97**		**3.32**	**109.65**
March 31, 2021				
Amount not yet due	37.34	0.00%	-	37.34
Between one to six month overdue	21.34	0.00%	-	21.34
Greater than six month overdue	2.94	76.23%	2.24	0.70
Total	**61.62**		**2.24**	**59.38**

Reconciliation of loss allowance provision for Trade receivables from beginning to end of reporting period:

Particulars	Trade Receivables
Loss allowance as at April 1, 2020	**3.73**
Changes in loss allowance	1.46
Less: Amounts written off during the year	(2.95)
Loss allowance as at March 31, 2021	**2.24**
Changes in loss allowance	1.08
Less: Amounts written off during the year	-
Loss allowance on March 31, 2022	**3.32**

II. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2022	As at March 31, 2021
Undrawn*	60.21	120.83

* includes Working capital facilities which is due for review every year

(b) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
March 31, 2022				
Non-derivatives				
Non-current borrowings	-	108.79	0.74	**109.53**
Current borrowings	277.89	-	-	**277.89**
Lease liabilities	0.82	3.01	0.85	**4.68**
Trade payables	77.22	-	-	**77.22**
Other financial liabilities	87.00	-	-	**87.00**
Total	**442.93**	**111.80**	**1.59**	**556.32**
March 31, 2021				
Non-derivatives				
Non-current borrowings	-	51.08	0.16	**51.24**
Current borrowings	204.93	-	-	**204.93**
Lease liabilities	2.07	2.50	2.58	**7.15**
Trade payables	135.49	-	-	**135.49**
Other financial liabilities	23.80	-	-	**23.80**
Total	**366.28**	**53.58**	**2.74**	**422.61**

III. Market risk

(a) Foreign currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. The Group's exposure to foreign currency changes for all other currencies which are not stated below is not material. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	77.36	36.39	62.32	65.68
EURO	0.18	-	-	-

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

The impact on the Group's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
USD Sensitivity		
INR/USD - Increase by 4.06% (Previous Year 4.38%)	0.70	(1.28)
INR/USD - Decrease by 4.06% (Previous Year 4.38%)	(0.70)	1.28
EURO Sensitivity		
INR/EURO - Increase by 4.74% (Previous Year 5.59%)	0.01	-
INR/EURO - Decrease by 4.74% (Previous Year 5.59%)	(0.01)	-

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 12 to 15 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

Outstanding contracts	No. of deals		Foreign currency (USD) (Absolute numbers)		Nominal Amount (INR)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD / INR sell forward	2,600	2,000	2,600,000	2,000,000	19.71	14.68
Commodity derivative contracts	10,625	7,800	25,733,538	15,408,900	195.08	113.26

(b) Interest rate risk

(i) Financial liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. As at March 31, 2022 and March 31, 2021, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Group's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	309.42	211.41
Fixed rate borrowing	78.00	44.76
Total borrowings	**387.42**	**256.17**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Sensitivity

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity[(i)]		
INR Borrowings		
Interest rates – increase by 100 basis points	3.09	2.11
Interest rates – decrease by 100 basis points	(3.09)	(2.11)

(i) Holding all other variables constant

(c) Price risk

Exposure

The Group exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. There are no investments held by the Group which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Group is not exposed to price risk.

Note 43 - Employee benefits plans

(i) Defined Contribution Plans

The Group makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under:

Particulars	For the year ended	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to provident funds	3.65	1.79
Employer's contribution to employee state insurance and other funds	0.49	0.88
Employer's contribution to labour welfare fund*	0.01	0.00

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

There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgement dated February 28, 2019 on provident fund. The Group has started recognising such expenditure/liability on account of enhanced provident fund contributions prospectively. Pending further clarification on the applicability of such ruling, the management is of the view that such ruling is applicable prospectively.

Earned leaves- Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end acturial valuation.

Casual leaves- Unutilized casual leaves get elapsed at the end of each calender year. The Company has provided for casual leave for a period of 3 months i.e. from January 2022 till March 2022.

(ii) Defined benefits plans

The employees' gratuity fund scheme managed by a trust namely 'Gravita India Limited Employees Gratuity Trust' is defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is determined based on actuarial valuation as at the end of each financial year using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation. Earned leaves – Long term leaves includes earned leaves. These have been provided on accrual basis, based on year end actuarial valuation.

These plans typically expose the company to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

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

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Change in benefit obligation (A)				
Present value of obligation as at the beginning of the year	3.28	0.78	2.87	0.82
Current service cost	1.04	0.81	0.35	0.12
Interest cost	0.22	0.04	0.19	0.05
Actuarial loss/ (gain)	(0.09)	0.01	0.04	(0.01)
Actuarial loss/ (gain) on plan assets	-	-	-	-
Benefits paid	(0.04)	(0.05)	(0.18)	(0.20)
Present value of obligation as at the end of the year	**4.40**	**1.60**	**3.28**	**0.78**
Change in plan assets (B)				
Fair value of plan assets at the beginning of the year	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Liability recognized in the financial statement (A - B)	**4.40**	**1.60**	**3.28**	**0.78**

Actuarial assumptions

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount rate	7.18%	7.18%	6.80%	6.80%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	23.29	23.48	22.15	22.16
Average remaining working lives of employees with Mortality and Withdrawal (years)	17.90	17.79	17.35	17.35
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):	100%	100%	100%	100%
Attrition at Ages				
Age upto 30 years	3%	3%	3%	3%
Age from 31 to 44 years	2%	2%	2%	2%
Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58	58	58	58

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Maturity profile of defined benefit obligation

Year	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	0.48	0.08	0.39	0.04
1 to 2 year	0.06	0.02	0.10	0.03
2 to 3 year	0.09	0.04	0.05	0.01
3 to 4 year	0.81	0.05	0.08	0.03
4 to 5 year	0.32	0.11	0.75	0.04
5 to 6 year	0.45	0.17	0.29	0.10
6 year onwards	1.55	0.53	1.62	0.53

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
Current service cost	1.04	0.81	0.35	0.12
Net interest cost	0.22	0.04	0.19	0.05
Actuarial loss	-	0.01	-	(0.01)
Total amount recognised in profit or loss	**1.26**	**0.87**	**0.54**	**0.16**
Re-measurements recognised in Other comprehensive income				
Actuarial (gain) / loss on plan assets	-	-	-	-
Effect of changes in demographic assumptions	-	-	-	-
Effect of changes in financial assumptions	(0.11)	-	0.01	-
Effect of experience adjustments	0.06	-	0.04	-
Total re-measurements included in Other Comprehensive Income	**(0.05)**	**-**	**0.04**	**-**
Total amount recognised in Statement of Profit and Loss	**1.21**	**0.87**	**0.59**	**0.16**

Provision created in subsidiary companies are complied withas per the requirements of their respective land laws wherever applicable.

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	4.40	1.60	3.28	0.78
(a) Impact of the change in discount rate				
Impact due to increase of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)
Impact due to decrease of 0.50%	0.15	0.05	0.14	0.04
(b) Impact of the change in salary increase				
Impact due to increase of 0.50%	0.15	0.05	0.14	0.04
Impact due to decrease of 0.50%	(0.14)	(0.05)	(0.13)	(0.04)

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 44 - Employee share based payments

Employee Stock appreciation rights Scheme

In terms of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ('SEBI Regulations'), the Compensation Committee of Board, inter alia, administers and monitors the Gravita Stock Appreciation Rights Scheme 2017 of the Company. The Compensation Committee, at its meeting granted Nil (Previous year: 528,000) Stock Appreciation Rights ('SAR') to the employees of the Group under Gravita Stock Appreciation rights Scheme 2017. In addition, Gravita Employee Welfare Trust has purchased 652,500 (previous year: 528,000) equity shares from secondary market.

(i) Movement of shares acquired by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares outstanding at the beginning of the year	13,05,000	6,52,500
Equity shares acquired during the year	–	6,52,500
Number of shares outstanding at the end of the year	**13,05,000**	**13,05,000**

(ii) Movement of shares appreciation rights granted by Gravita Employee Welfare Trust

Particulars	March 31, 2022	March 31, 2021
Number of shares appreciation rights granted at the beginning of the year	7,28,000	2,00,000
Shares appreciation rights granted during the year	–	5,28,000
Number of shares appreciation rights granted at the end of the year	**7,28,000**	**7,28,000**

(iii) Gravita has granted certain SAR to its employees under the Scheme details of which are as under:

Grant of SAR*	Number of SAR
SAR 2018-19	70,400
SAR 2019-20	1,29,600
SAR 2020-21	5,28,000
Total	**7,28,000**

*The holding company has granted 4,02,600 stock appreciation rights to KMP's which will be exercised at the time of their respective retirement and which are subject to upward and downward revision.

(iv) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for the options granted till 31 March 2022:

Date of Grant	Market Price as at 31 March 2022	Number of shares	Years to Vest	Exercise price of option	Risk-Free Rate of Return	Standard Deviation	Employee Attrition	Fair Value per share as at 31 March 2022
1 April 2018	317.75	70,400	0.97 to 20.32	143.31	4.14% to 7.11%	52.09% to 61.41%	18.00%	151.52 to 247.53
1 April 2019	317.75	1,29,600	4.27	108.23	5.78%	53.83%	18.00%	198.96
1 April 2020	317.75	5,28,000	2.08 to 25.90	42.55	4.80% to 7.11%	52.09% to 57.98%	18.00%	229.07 to 257.42

(i) Refer note 47 for transactions with KMP's.

Note 45 - Segment information

Operating segments and principal activities:

Based on the guiding principles given in Ind AS - 108 'Operating segments', the Board of Director of the Group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Group is segregated in the segments below:

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

i) Lead processing

ii) Aluminium processing

iii) Turn-key solutions

iv) Plastic manufacturing

Lead processing includes smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, Specific Lead Alloy, Lead Oxides (Lead sub-oxide, Red Lead, and Litharge) and Lead products like Lead sheets, Lead powder, Lead shot etc.

Aluminium processing includes trading of Taint Tabor and Tense aluminium scraps manufacturing of alloy from melting of aluminium scrap.

Turn key solution includes, complete supply of plant and machinery related to lead manufacturing plant. Further, since carton trading does not amounts to primary business activities, hence the same has been clubbed in others in segment reporting.

Segment revenue and results include the respective amounts identifiable to each of the segments. Other unallowable expenditure includes expenses incurred on finance cost, which are not directly identifiable to segments.

In addition to the significant accounting policies applicable to the business segments as set out in note 1, the accounting policies in relation to segment accounting are as under:

(a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property, plant and equipment, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes.

(c) Geographical segments

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation is mainly for two locations:

(i) India (country of domicile); and

(ii) other than India (all countries other than India is considered by CODM as one geographical area).

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets has been given below:

* Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts

(i) located in the entity's country of domicile; and

(ii) located in all foreign countries in total in which the entity holds assets.

	Particulars	March 31, 2022	March 31, 2021
A.	**Segment revenue[I]**		
	Lead	1,870.34	1,232.70
	Aluminium	206.77	95.24
	Turnkey projects	5.74	3.51
	Plastics	131.38	77.37
	Others	1.64	0.93
	Total	**2,215.87**	**1,409.75**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	March 31, 2022	March 31, 2021
B.	**Segment results**		
	Lead	173.25	91.63
	Aluminium	28.92	16.37
	Turnkey projects	0.49	(1.29)
	Plastics	17.80	(3.18)
	Others	(1.48)	0.07
	Total	**218.98**	**103.60**
C.	**Reconciliation of segment result with profit after tax**		
	Segment results	**218.98**	**103.60**
	Add/ (less): Unallocated income/ (expenses)		
	Finance costs	33.55	27.87
	Other income	(7.84)	(7.17)
	Other expenses	28.63	11.99
	Share of loss of an associate*	0.00	0.01
	Tax expenses	16.19	14.08
	Profit after tax in the Statement of Profit and Loss	**148.45**	**56.82**
D.	**Segment depreciation and amortisation expense**		
	Lead	9.62	10.61
	Aluminium	1.14	1.35
	Turnkey projects	0.72	0.69
	Plastics	4.01	5.25
	Others	0.09	0.14
	Unallocated	4.98	2.26
	Total	**20.56**	**20.30**
E.	**Segment Assets**		
	Lead	695.40	525.79
	Aluminium	102.23	54.99
	Turnkey projects	25.32	28.77
	Plastics	46.45	37.20
	Others	17.83	3.29
	Unallocated assets	110.27	76.29
	Total Assets	**997.50**	**726.33**
F.	**Segment Liabilities**		
	Lead	74.00	120.13
	Aluminium	54.78	5.55
	Turnkey projects	10.12	1.82
	Plastics	12.62	8.01
	Others	12.75	0.14
	Unallocated liabilities	432.38	312.73
	Total Liabilities	**596.65**	**448.38**
G.	**Investment in associate**		
	Unallocated*	0.00	0.00
H.	**Revenue by geographical market**		
	Within India	1,036.28	1,291.12
	Outside India	1,179.59	118.63
	Total	**2,215.87**	**1,409.75**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	March 31, 2022	March 31, 2021
I.	**Non-current assets by geographical market**		
	Within India	167.56	133.18
	Outside India	77.74	62.50
	Total	**245.30**	**195.68**

(i) Segment revenue reported above represents revenue generated from external customers

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

Information about major customers

Sales of ₹ 616.39 Crores (Previous year: ₹ 531.42 Crores), included in total Revenue, which arose from sales to the Group's largest customers. No other single customers contributed 10% or more to the Group's revenue in current year 2021-22 and previous year 2020-21.

Note 46 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(I) Details of subsidiaries and associates

(a) Subsidiaries

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Gravita Infotech Limited	India	100.00	100.00
Noble Buildestate Private Limited	India	100.00	100.00
Gravita Ghana Limited	Ghana	100.00	100.00
Gravita Global Pte Limited	Singapore	100.00	100.00
Gravita Mozambique LDA	Mozambique	100.00	100.00
Navam Lanka Limited	Srilanka	52.00	52.00
Gravita Netherlands BV	Netherlands	100.00	100.00
Gravita Senegal SAU	Senegal	100.00	100.00
Gravita Nicaragua SA	Nicaragua	100.00	100.00
Gravita Jamaica Limited	Jamaica	100.00	100.00
Gravita Ventures Limited	Tanzania	100.00	100.00
Gravita USA Inc	USA	100.00	100.00
Gravita Mali SA	Mali	100.00	100.00
Recyclers Gravita Costa Rica SA	Costa Rica	100.00	100.00
Gravita Tanzania Limited	Tanzania	100.00	100.00
Recyclers Ghana Limited	Ghana	100.00	100.00
Mozambique Recyclers LDA	Mozambique	100.00	100.00
Gravita Dominican SAS (till 6th September, 2021)	Dominican Republic	-	100.00
Gravita Peru SAC (till 3rd February, 2022)	Peru	-	100.00
Gravita Togo Sau (from 4th August, 2021)	TOGO	100.00	-

(b) Associate

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
Pearl Landcon Private Limited	India	25.00	25.00

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(c) Partnership firms

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Gravita Metal Inc	India	100.00	100.00
M/s Gravita Infotech	India	100.00	100.00

(d) Limited liability partnership firm

Name of Entity	Country of incorporation	% of Holding as at March 31, 2022	% of Holding as at March 31, 2021
M/s Recycling Infotech LLP	India	100.00	100.00

(e) Trusts

Name of Entity	Country of incorporation
Gravita Employee Welfare Trust	India

(II) Information about standalone subsidiaries/ entities consolidated

(i) For financial year 2021-22

Name of the entity	Net assets[i]		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India limited	53.74%	207.89	28.52%	39.75	(7.22%)	(0.17)	27.92%	39.58
Subsidiaries								
Indian subsidiaries (ii)								
Gravita Infotech Limited	0.54%	2.10	(0.24%)	(0.33)	(0%)	-	(0.23%)	(0.33)
M/s Gravita Infotech	0.02%	0.07	(0.01%)	(0.01)	(0%)	-	(0.01%)	(0.01)
Noble Buildestate Private Limited	0.01%	0.02	1.34%	1.87	(0%)	-	1.32%	1.87
M/s Gravita Metal Inc.	(5.4%)	(20.89)	(3.07%)	(4.28)	(0%)	-	(3.02%)	(4.28)
M/s Recycling infotech LLP	(0%)	-	(0%)	-	(0%)	-	(0%)	-
Gravita Employee Welfare Trust	(0.34%)	(1.32)	(0.3%)	(0.42)	(0%)	-	(0.3%)	(0.42)
Foreign subsidiaries								
Gravita Ghana Limited	0.28%	1.07	0.32%	0.45	(8.92%)	(0.21)	0.17%	0.24
Gravita Netherlands BV	15.3%	59.17	9.12%	12.71	28.02%	0.66	9.43%	13.37
Gravita Global Pte Limited	2.61%	10.08	0.28%	0.39	2.55%	0.06	0.32%	0.45
Gravita Senegal SAU	9.01%	34.87	11.59%	16.15	(26.75%)	(0.63)	10.95%	15.52
Gravita Mali SA	0.02%	0.07	1.74%	2.43	(0.42%)	(0.01)	1.71%	2.42
Gravita Nicaragua SA	1.4%	5.42	5.87%	8.18	(0%)	-	5.77%	8.18
Navam Lanka Limited	5.67%	21.95	13.54%	18.87	(361.28%)	(8.51)	7.32%	10.37
Gravita Mozambique LDA	10.25%	39.66	1%	1.39	212.27%	5.00	4.5%	6.38
Gravita USA Inc	1.2%	4.66	0.5%	0.70	5.94%	0.14	0.59%	0.84
Gravita Jamaica Limited	(2.66%)	(10.29)	(1.08%)	(1.50)	5.94%	0.14	(0.96%)	(1.36)
Gravita Ventures Limited	0.01%	0.03	0.67%	0.93	(0.42%)	(0.01)	0.64%	0.91
Recyclers Gravita Costa Rica SA	(0.52%)	(2.01)	(0.21%)	(0.29)	4.25%	0.10	(0.13%)	(0.19)
Gravita Tanzania Limited	11.01%	42.60	17.45%	24.32	(0%)	-	17.16%	24.32
Recyclers Ghana Limited	10.21%	39.49	23.81%	33.19	(32.69%)	(0.77)	22.87%	32.42
Mozambique Recyclers LDA	3.17%	12.26	4.53%	6.31	19.95%	0.47	4.78%	6.78
Gravita Dominican SAS (Till 6th September, 2021)	(0%)	-	0.34%	0.48	0.42%	0.01	0.35%	0.50

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Name of the entity	Net assets(i)		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Gravita Peru SAC (Till 03 February, 2022)	(0%)	-	0.12%	0.17	2.97%	0.07	0.17%	0.24
Gravita Togo Sau (From 04 Aug, 2021)	0.19%	0.74	(0%)	-	(0.42%)	(0.01)	(0.01%)	(0.01)
Total		**447.64**		**161.46**		**(3.67)**		**157.79**
Adjustments arising out of consolidation	16%	60.79	16%	22.07	(256%)	(6.03)	11%	16.04
Sub-total (a)	1.00	**386.85**	**1.00**	**139.39**	**1.00**	**2.36**	**1.00**	**141.75**
Non - controlling interests (iii)								
Navam Lanka Limited		14.00		9.06		(4.08)		4.98
Sub-total (b)		**14.00**		**9.06**		**(4.08)**		**4.98**
Associates								
Pearl Landcon Private Limited		0.00		(0.00)		-		(0.00)
Sub-total (c)		**0.00**		**(0.00)**		**-**		**(0.00)**
Total (a + b + c)		**400.85**		**148.45**		**(1.72)**		**146.73**

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

(ii) For financial year 2020-21

Name of the entity	Net assets(i)		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent								
Gravita India Limited	70.29%	189.02	61.30%	32.17	14.93%	0.30	59.59%	32.47
Subsidiaries								
Indian subsidiaries(ii)								
Gravita Infotech Limited	0.9%	2.43	(0.19%)	(0.10)	-	-	(0.18%)	(0.10)
M/s Gravita Infotech	0.03%	0.07	(0.02%)	(0.01)	-	-	(0.02%)	(0.01)
Noble Buildestate Private Limited	(0.68%)	(1.84)	(0.53%)	(0.28)	-	-	(0.51%)	(0.28)
M/s Gravita Metal Inc.	(4.57%)	(12.28)	(9.68%)	(5.08)	(0%)	-	(9.32%)	(5.08)
M/s Recycling infotech LLP	(0.00%)	-	(0.00%)	-	-	-	(0.00%)	-
Gravita Employee Welfare Trust	(0.33%)	(0.90)	(0.90%)	(0.47)	-	-	(0.86%)	(0.47)
Foreign subsidiaries				-				
Gravita Ghana Limited	0.3%	0.82	0.17%	0.09	(1.99%)	(0.04)	0.09%	0.05
Gravita Netherlands BV	17.03%	45.80	7.18%	3.77	(13.93%)	(0.28)	6.4%	3.49
Gravita Global Pte Limited	3.58%	9.64	(0.11%)	(0.06)	(2.49%)	(0.05)	(0.2%)	(0.11)
Gravita Senegal SAU	7.2%	19.35	10.25%	5.38	28.36%	0.57	10.92%	5.95
Gravita Mali SA	(0.87%)	(2.35)	0.17%	0.09	(4.98%)	(0.10)	(0.02%)	(0.01)
Gravita Nicaragua SA	(1.03%)	(2.77)	(4.21%)	(2.21)	8.96%	0.18	(3.73%)	(2.03)
Navam Lanka Limited	6.99%	18.80	17.26%	9.06	(54.23%)	(1.09)	14.63%	7.97
Gravita Mozambique LDA	18.08%	48.62	19.65%	10.31	(77.61%)	(1.56)	16.06%	8.75
Gravita USA Inc	1.42%	3.83	0.15%	0.08	1%	0.02	0.18%	0.10
Gravita Jamaica Limited	(3.32%)	(8.94)	(12.25%)	(6.43)	23.88%	0.48	(10.92%)	(5.95)
Gravita Ventures Limited	(0.33%)	(0.88)	0.02%	0.01	1.49%	0.03	0.07%	0.04
Recyclers Gravita Costa Rica SA	(0.68%)	(1.82)	(0.17%)	(0.09)	6.97%	0.14	0.09%	0.05
Gravita Tanzania Limited	6.6%	17.76	16.84%	8.84	(6.97%)	(0.14)	15.97%	8.70
Recyclers Ghana Limited	2.63%	7.07	7.95%	4.17	60.7%	1.22	9.89%	5.39

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Name of the entity	Net assets(i)		Share of profit or loss		Share of OCI		Total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Mozambique Recyclers LDA	2.04%	5.48	11.13%	5.84	9.95%	0.20	11.08%	6.04
Gravita Dominican SAS	(0.07%)	(0.19)	0.02%	0.01	1%	0.02	0.06%	0.03
Gravita Peru SAC	(0.06%)	(0.15)	(0.42%)	(0.22)	(0%)	-	(0.4%)	(0.22)
		336.57		**64.87**		**(0.10)**		**64.77**
Adjustments arising out of consolidation	(25.15%)	(67.64)	(23.61%)	(12.39)	104.98%	2.11	(18.87%)	(10.28)
Total (A)	**100.00%**	**268.93**	**100%**	**52.48**	**100%**	**2.01**	**100%**	**54.49**
Non-controlling interests								
Navam Lanka Limited		9.02		4.35		(0.52)		3.83
Total (B)		**9.02**		**4.35**		**(0.52)**		**3.83**
Associates								
Pearl Landcon Private Limited		-		(0.01)		-		(0.01)
Total (C)		**-**		**(0.01)**		**-**		**(0.01)**
Total (A + B + C)		**277.95**		**56.82**		**1.49**		**58.31**

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

(i) total assets less total liabilities

(ii) including partnership firms, LLP and trust

(III) Non-controlling interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Holding Company.

The balance of non-controlling interests as at the end of the year is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Non-controlling interests (i)	14.00	9.02

(i) Gravita India Limtied through its wholly owned subsdiary, Gravita Global Pte. Limited holds 52% equity stake in Navam Lanka Limited.

The tables below provide summarised information in respect of Balance Sheet as at March 31, 2022 and March 31, 2021, Statement of Profit and Loss and Statement of cash Flows for the year ended March 31, 2022 and March 31, 2021, in respect of the above-mentioned entity:

Summarised information related to Balance Sheet

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets	3.06	4.28
Current assets	28.42	20.94
Total assets	**31.48**	**25.22**
Non-current liabilities	0.68	0.77
Current liabilities	8.85	5.65
Total liabilities	**9.52**	**6.42**
Net assets	**21.95**	**18.80**
Accumulated non-controlling interest	**14.00**	**9.02**

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Summarised information related to Statament of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total Income	68.35	54.74
Profit for the year	18.87	9.06
Total comprehensive income for the year	10.37	7.97

Summarised information related to cash flow Statement

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash flow from operating activities	7.61	2.81
Net cash used in investing activities	(2.95)	(0.17)
Net cash used in financing activities	(4.64)	(2.90)
Net increase/ (decrease) in cash and cash equivalents during the year	**0.02**	**(0.26)**
Cash and cash equivalents at the beginning of the year	0.43	0.69
Cash and cash equivalents at the end of the year	**0.45**	**0.43**

Note 47 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

(i) Name of related parties and nature of related party relationship

(a) Enterprises over which Key Managerial Personnel and/ or their relatives exercise significant influence

Name of Entity
Saurabh Farms Limited
Shah Buildcon Private Limited
Jalousies India Private Limited
Gravita Impex Private Limited
Agarwal Family Private Trust

Key Managerial Personnel and their relatives

(b) Key Management Personnel

Name	Designation
Dr. Mahavir Prasad Agarwal	Chairman and Whole-time director
Mr. Rajat Agrawal	Managing director
Mr. Yogesh Malhotra	Whole-time director and Chief executive officer
Mr. Sunil Kansal	Chief financial officer
Mr. Nitin Gupta	Company Secretary
Mr. Dinesh Kumar Govil	Independent director
Mr. Arun Kumar Gupta	Independent director
Mr. Chanchal Chadha Phadnis	Independent director

(c) Relatives of Key managerial personnel*

Name	Relationship
Mrs. Anchal Agrawal	Wife of Mr. Rajat Agrawal

* with whom transactions have taken place during the current year or previous year.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Detail of transaction and balance outstanding with related parties

Transactions with related parties

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Remuneration paid to key managerial personnel		
(a) Short-term benefits[(I)]		
Dr. Mahavir Prasad Agarwal	1.20	1.20
Mr. Rajat Agrawal	1.19	1.00
Mr. Yogesh Malhotra	1.92	0.79
Mr. Sunil Kansal	0.95	0.66
Mr. Nitin Gupta	0.13	0.08
(b) Post-employment benefits[(II)]		
Dr. Mahavir Prasad Agarwal	0.06	0.08
Mr. Rajat Agrawal	0.06	0.08
Mr. Yogesh Malhotra	0.02	0.06
Mr. Sunil Kansal	0.02	0.05
Mr. Nitin Gupta*	0.00	0.00
(ii) Dividend Paid		
(a) Key managerial personnel		
Mr. Rajat Agrawal	9.91	3.60
Mr. Yogesh Malhotra	0.01	0.00
Mr. Sunil Kansal	0.02	0.01
Mr. Nitin Gupta	0.01	0.00
(b) Key managerial personnel		
Agarwal Family Private Trust	5.22	1.91
(iii) Purchases of property plant and equipments		
(a) Key managerial personnel		
Rajat Agrawal	-	0.71
(iv) Rent expenses		
(a) Key management personnel		
Mr. Rajat Agrawal	0.40	0.40
(b) Relatives of key management personnel		
Mrs. Anchal Agrawal	0.07	0.06
(c) Enterprises having common key management personnel and/or their relatives		
Saurabh Farms Limited	0.44	0.42
Shah Buildcon Private Limited	0.36	0.22
Jalousies India Private Limited	0.34	0.32

(I) Short-term benefits includes PAT incentive/ performance incentive, which is subject to Performance and target achievement.

(II) Post-employment benefits does not include provisions for incremental gratuity of ₹ 1.20 Crores (Previous Year 1.15 Crores) and compensated absences of ₹ 0.08 Crores (Previous Year ₹ 0.07 Crores) based on actuarial valuation report.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Closing balances with related parties

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Corporate guarantee taken		
(a) Enterprises having common key management personnel and/ or their relatives		
Gravita Impex Private Limited	0.04	0.04
(ii) Security deposits		
Mrs. Anchal Agarwal	0.02	0.02
Mr. Rajat Agrawal	0.12	0.12
Saurabh Farms Limited	0.14	0.14
Shah Buildcon Private Limited	0.12	0.12
Jalousies (India) Private Limited	0.11	0.11
(iii) Remuneration payable to Key managerial personnel		
Dr. Mahavir Prasad Agrawal	0.10	0.08
Mr. Rajat Agrawal	0.11	0.07
Mr. Yogesh Malhotra	0.05	0.04
Mr. Sunil Kansal	0.03	0.03
Mr. Nitin Gupta	0.01	0.01

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

(i) Refer note 17(ii) and (iii) for personal guarantee given by Key managerial personnel.

(ii) Refer note 44 for Employee stock appreciation rights given to KMP's.

Note 48

The management of the group has assessed the impact of COVID-19 on its operations as well its financial results and considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets, which does not have any significant impact on carrying value of its assets. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these Consolidated financial results and the management of the Group will continue to closely monitor any material changes to future economic conditions.

Note 49

The figures of the previous year have been regrouped/ reclassed to make them comparable with those of current year wherever considered necessary.

Note 50

In the opinion of Board of Directors, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/ expected liabilities have been made.

Note 51

As per transfer pricing legislation under section 92 - 92F of the Income -tax Act, 1961, the Company is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintain documentation in this respect. Since law requires existence of such information and documentation to be contemporanious in nature, the Company has updated the Transfer Pricing study to ensure that the transactions with associate enterprises undertaken are at "Arms length basis". Based on the preliminary study and assessment for the current year, the management is of the view that the same would not have a material impact on these consolidated financial statements.

Note 52 - Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2022

(ii) The Group has not been declared wilful defaulter by any bank or financial institutions or other lenders.

(iii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(vii) The Group has not traded or invested in crypto currency or virtual currency during the current and the preceding financial year.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000

Date : May 19, 2022
Place : Jaipur

For and on behalf of the Board of Directors
Gravita India Limited

Rajat Agrawal
Managing Director
DIN: 00855284

Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393

Arun Kumar Gupta
Independent Director
DIN: 02749451

Sunil Kansal
Chief Financial Officer

Nitin Gupta
Company Secretary
Membership No: FCS 9984

Date: May 19, 2022
Place: Jaipur

Corporate Information

Corporate Indentification Number
(CIN): L29308RJ1992PLC006870

Board of Directors & KMP
Dr. Mahavir Prasad Agarwal
Chairman & Whole time Director
DIN: 00188179
Rajat Agrawal
Managing Director
DIN: 00855284
Yogesh Malhotra
Whole Time Director & CEO
DIN: 05332393
Dinesh Kumar Govil
Independent Director
DIN: 02402409
Arun Kumar Gupta
Independent Director
DIN: 02749451
Chanchal Chadha Phandis
Independent Director
DIN: 07133840
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 (Non-Board Member)
Naveen Prakash Sharma
Executive Director (Non-Board Member)
Rajeev Surana
Executive Director (Non-Board Member)
Sandeep Choudhary
Vice President, Procurement Import
Sanjay Singh Baid
Vice President, Plastics
Ajay Thapliyal
Vice President (Projects & HR)

Statutory Auditors
Walker Chandiok & Co. LLP
1st Floor, L-41 Connaught Circus
New Delhi 110 001, India
Website: www.walkerchandiok.in

Internal Auditors
KPMG
Building No.10, 8th Floor,
Tower-B & C DLF Cyber City, Phase II
Gurugram - 122002, Haryana, India
Website: https://www.kpmg.com/in

Cost Auditors
K. G. Goyal & Associates
289, Mahveer Nagar-II,
Maharani Farms, Durgapura,
Jaipur-302018

Registrar & Share Transfer Agent
KFin Technologies Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Gachibowli
Financial District, Nanakramguda,
Serilingampally, Hyderabad-500032, Telangana
Website: www.kfintech.com

Bankers
State Bank of India
Punjab National Bank
Union Bank of India Limited
Canara Bank
UCO Bank
The Jammu & Kashmir Bank Limited
Bandhan Bank Limited
IDFC First Bank Limited

Corporate Office
Gravita Tower , A-27B, Shanti Path,
Tilak Nagar, Jaipur- 302 004, Rajasthan, India
Ph.No.:+91-141-262366, +91-141-2622697
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
Plot No. 322, Mithirohar Industrial Estate,
Mithirohar, Taluka Gandhidham - 370205, Gujarat

Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil
Sanganer, Distt. Jaipur-302029 Rajasthan, India

Survey No. 233/15 to 233/30, Tiruthani Road, Village
-Ananthapuram-Panchayat Narasingharayani Pettah -Post
Chittoor, Andhra-Pradesh-517419

Survey No. 43,Near National Highway No. 8A,
Patri Gundala Road Village Moje Gundala Taluka Mundra
Kutch, Kachchh, Gujarat, 370410

25-26, SICOP Industrial Area, Kathua-184102,
Jammu & Kashmir, India

GRAVITA

INDIAN MULTINATIONAL COMPANY

Gravita India Limited
'Saurabh', Chittora Road, Harsulia Mod, Diggi- Malpura Road,
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Tel: 09928070682

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