

# Corporate Governance Report

## Company's Philosophy on Code of Governance

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

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

## Board of Directors

The Board plays crucial role in overseeing how the management

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

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

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

\*Mr. Yogesh Malhotra has been appointed as Board Member w.e.f 31<sup>st</sup> March, 2019

#Directorship does not include directorships held in Foreign Companies Further for the purpose of calculation of chairmanship and membership of committees all the committees has been considered.

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

### Skills/Expertise/Competence of the Board of Directors

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

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

### Board Meetings

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

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

Attendance of each Director at the Board Meetings:

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

\* Appointed w.e.f 31<sup>st</sup> March, 2019

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

### Meeting of Independent Directors

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

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

### Audit Committee

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

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

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

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

28<sup>th</sup> May, 2018  
12<sup>th</sup> July, 2018  
31<sup>st</sup> July, 2018  
14<sup>th</sup> November, 2018  
06<sup>th</sup> February, 2019

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

### Composition of Audit Committee and Attendance

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

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

- ❖ Oversight of the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ❖ Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors, remuneration and terms of

appointment of auditors of the company;

- ❖ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ❖ Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be stated in the Board's report in terms of provisions of Companies Act;

- Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Modified opinion(s)/Qualifications in the draft audit report
- ❖ Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - ❖ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - ❖ Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
  - ❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - ❖ Discussion with internal auditors of any significant findings and follow up there on;
  - ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - ❖ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - ❖ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - ❖ Reviewing the functioning of Whistle Blower Mechanism;
  - ❖ Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - ❖ To lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ❖ To review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given;
  - ❖ To review the financial statements, in particular, the investments made by the unlisted subsidiary;
  - ❖ To take note of an annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, certified by the statutory auditors of the listed entity, and place it before the audit committee till such time the full money raised through the issue has been fully utilized;
  - ❖ To take note of following indications made by Chief Executive Officer or Chief Financial Officer of the Company, if any;
  - ❖ To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
  - ❖ To review:
    - Significant changes in internal control over financial reporting during the year;
    - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    - Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.
  - ❖ To review the following statement(s) on a quarterly basis for public issue, rights issue, preferential issue etc.-
    - Indicating deviations, if any, in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable;
    - Indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilisation of funds made by it in its offer document or explanatory statement to the notice for the general meeting, as applicable and the actual utilisation of funds;
  - ❖ Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - ❖ Approval or any subsequent modification of transactions of the company with related parties including granting omnibus approval for related party transaction;
  - ❖ Scrutiny of inter-corporate loans and investments;

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

### Nomination & Remuneration Committee

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

- ❖ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ❖ Formulation of criteria for evaluation of Independent Directors and the Board;
- ❖ Devising a policy on Board diversity;
- ❖ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- ❖ Whether to extend or continue the term of appointment

of the independent director, on the basis of the report of performance evaluation of independent directors;

- ❖ To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- ❖ To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

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

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

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

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

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

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

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

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

**Notes:**

- a) The Company does not have any pecuniary relationship with any Non-Executive Independent Director except for reimbursement of traveling expenses to the Directors for attending Board Meeting. No sitting fee is paid for attending the meetings of Board/Committees of Directors.
- b) None of the Non-executive Directors of the company have any equity shares of the Company.
- c) The company has issued memorandum of terms and conditions of appointment including remuneration to Managing Director and Whole-time Director of the Company.
- d) The appointment of Mr. Rajat Agrawal and Dr. Mahavir Prasad Agarwal is for a period of 3 years from the date of their respective appointment and notice period is as per rules of the company. Further except Gratuity and Leave encashment no other severance fees is payable.

**Criteria for evaluation of Independent Director and the Board:**

Following are the criteria for evaluation of performance of Directors:

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

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

- a) Act objectively and constructively while exercising their duties;
- b) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e) Refrain from any action that would lead to loss of his independence;
- f) Inform the Board immediately when they lose their independence;
- g) Assist the Company in implementing the best corporate governance practices;
- h) Strive to attend all meetings of the Board of Directors and the Committees;
- i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j) Strive to attend the General Meetings of the Company;
- k) Keep themselves well informed about the Company and the external environment in which it operates;
- l) Do not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

**Remuneration Policy**

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

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

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

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

**Sitting Fees:**

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

**Profit Linked Commission:**

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

### Stock Options:

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

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

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

- **Minimum Remuneration:**

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

- **Provisions for excess remuneration:**

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

### Stakeholders Relationship Committee

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

### No. of Meetings

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

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

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

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

- ❖ Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ❖ Review of measures taken for effective exercise of voting rights by shareholders;
- ❖ Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ❖ Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by The shareholders of the company.

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

- ❖ To consider and review shareholders'/ investors' grievances and complaints and ensure that all shareholders'/ investors' grievances and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments;
- ❖ To approve and register transfers and transmission of Equity Shares;
- ❖ To Sub Divide, Consolidate and /or replace any Share Certificate of the Company;
- ❖ To authorize affixation of Common Seal of the Company to share certificates;
- ❖ To do all other acts and deeds as may be necessary or incidental to the above.

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

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

### Compensation Committee

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

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

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

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

### Investment Committee:

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

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

### Terms of Reference

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

### Corporate Social Responsibility Committee

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

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



### Composition of Corporate Social Responsibility Committee and Attendance:

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

### Terms of Reference

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

### Finance & Risk Management Committee

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

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

14<sup>th</sup> June, 2018

17<sup>th</sup> August, 2018

25<sup>th</sup> October, 2018

13<sup>th</sup> December, 2018

29<sup>th</sup> January, 2019

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

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

### Terms of Reference

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

## General Body Meetings

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

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

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

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

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

- (a) Special Resolution for Re-appointment of Mr. Dinesh Kumar Govil (DIN: 02402409) as an Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years.
- (b) Special Resolution for Re-appointment of Mr. Arun Kumar Gupta (DIN: 02749451) as an Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years.

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

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

**Certificate from Company Secretary in Practice:** The company has obtained a certificate from Mr. Pradeep Pincha, Practicing Company Secretary confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors

of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority as on 31<sup>st</sup> March, 2019 and the same is attached to this Report

### Disclosures:

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

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

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

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

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

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

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

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

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

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

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

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

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

- **Name of Vigilance Officer:** Mr. Nitin Gupta
- **E-mail:** [whistleblower@gravitaindia.com](mailto: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](http://www.gravitaindia.com)).

## **Means of Communication**

### **Financial Results**

- ❖ Pursuant to Regulation 33 (4) of SEBI (LODR) Regulations, 2015, the Company has regularly furnished, by way of online electronic uploading on NEAPS and BSE Listing Centre the quarterly/half-yearly/annual audited results to both the Stock exchanges i.e. BSE & NSE within the timelines prescribed by SEBI in this regard.
- ❖ The quarterly, half-yearly and annual results are published in 'Economic Times' / 'Financial Express' / 'Business Standard' / 'Mint' in English, 'Gujarat Samachar' in Gujarati and in 'NafaNuksan' / 'Business

Remedies' (Vernacular) in Hindi. Further the same are also available on website of the company ([www.gravitaindia.com](http://www.gravitaindia.com))

- ❖ The quarterly/ half-yearly Results are not sent individually to the Shareholders.

### **Website & Newsletter**

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

### **News Releases, Presentations, etc.**

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

## Management Discussion and Analysis Report

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

### General Shareholder Information:

#### a) Annual General Meeting

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

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

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

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

#### c) Listing at Stock Exchanges

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

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

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

BSE Ltd : 533282

National Stock Exchange of India Ltd. : GRAVITA

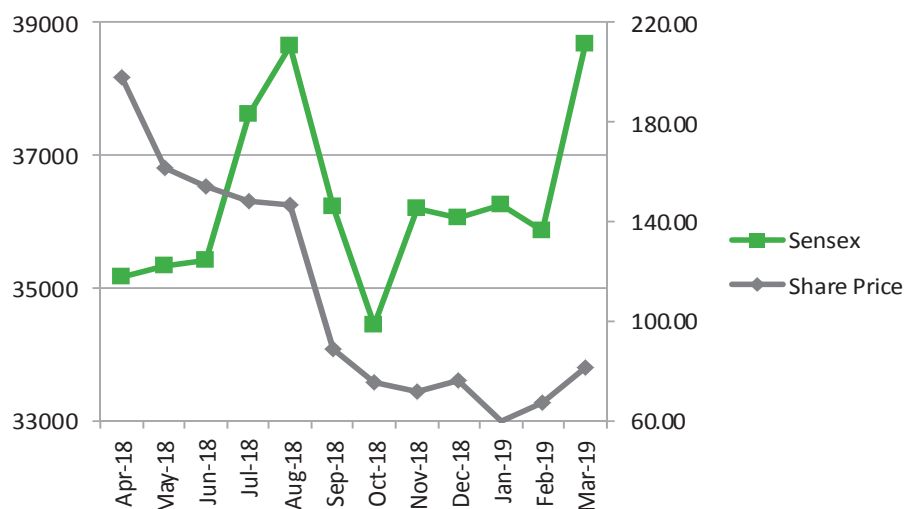
#### e) Stock Market Data

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

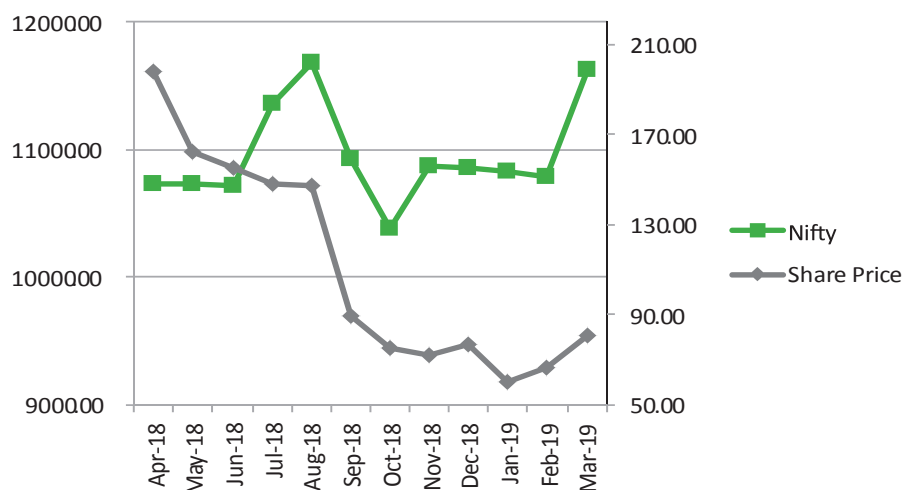
Year and Month	BSE			NSE		
	High (Rs)	Low (Rs)	Volume in '000 (in No.)	High (Rs)	Low (Rs)	Volume in '000 (in No)
April 2018	205.00	156.20	997.136	204.90	155.85	6745.346
May 2018	199.00	157.85	528.584	199.60	157.40	3289.996

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

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



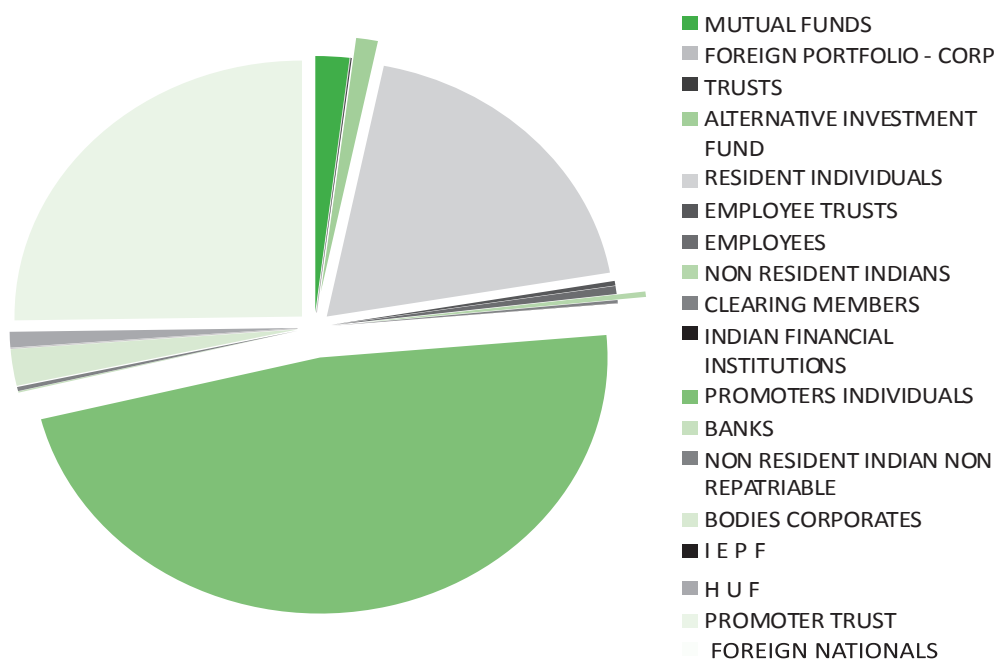
**iii. Performance of the Company's Share Price vis-à-vis NSE Nifty during the year 2018-19:**



**f) Shareholding Pattern as on 31<sup>st</sup> March, 2019**

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

Employees	348473	0.51
Non Resident Indians	232237	0.34
Clearing Members	121110	0.18
Indian Financial Institutions	15573	0.02
Promoters Individuals	3267725	47.53
Banks	60764	0.09
Non Resident Indian Non-Repatriable	177011	0.26
Bodies Corporates	1584003	2.30
I E P F	254	Negligible
H U F	679493	0.99
Promoter Trust	17348025	25.23
Foreign Nationals	2275	0.00
<b>Grand Total</b>	<b>68746714</b>	<b>100.00</b>



#### g) Distribution Schedule as on 31<sup>st</sup> March, 2019

Nominal Value of Each Equity Share is ₹ 2/-

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

#### h) Corporate Identity Number (CIN)

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

**i) Subsidiary Companies**

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

- Gravita Netherlands BV
- Gravita Mozambique LDA

**j) Discretionary requirements Part E of schedule II**

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

**k) Reconciliation of Share Capital Audit**

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

**l) Share Transfer System**

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

**m) Dematerialization of Shares and Liquidity**

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

Security Identification Number (ISIN) allotted to the Company's shares is **INE024L01027**.

**n) Green Initiative In Corporate Governance**

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

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

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

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

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

**q) Address for Correspondence**

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

**Registrar and Share Transfer Agents**

Mrs. Shobha Anand  
 Karvy Fintech Pvt Ltd  
 Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
 Financial District, Nanakramguda, Hyderabad – 500  
 032

Phone No. 040-67162222

Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

Web site: [www.karvy.com](http://www.karvy.com)

For any further assistance, the Shareholders may Contact:

**Company's Corporate Office**

Company Secretary  
 Gravita India Limited  
 402, Gravita Tower, A-27B, Shanti Path, Tilak Nagar,  
 Jaipur – 302 004, Rajasthan, India  
 Tel. 0141-2623266  
 Email: [companysecretary@gravitaindia.com](mailto:companysecretary@gravitaindia.com)  
 Web Site: [www.gravitaindia.com](http://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](mailto:companysecretary@gravitaindia.com)

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

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

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

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

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

t) **Plant Locations:**

- i. 'Saurabh', Chittora Road, Harsulia Mod, Diggi – Malpura Road, Tehsil – Phagi, Jaipur –303 904, Rajasthan, India.
- ii. Plot No. 322, Mithirohar Industrial Estate, Mithirohar, Taluka Gandhidham, Gujarat.
- iii. Plot No. PA-011-006, Mahindra SEZ, Village Kalwara, Tehsil Sanganer, Distt. Jaipur.
- iv. Survey No. 233/15 to 233/30, Thiruthani Road, Ananthapuram- Panchayat Narasingarayani Pettah Post Chittoor, Andhra Pradesh.

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

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

**For Gravita India Limited**

Date: 06<sup>th</sup> April, 2019  
Place: Jaipur

**Rajat Agrawal**  
(Managing Director)  
DIN: 00855284

**Naveen Prakash Sharma**  
(CEO)



# CEO/CFO Certification

Date: 28<sup>th</sup> May, 2019

To

The Board of Directors  
Gravita India Limited  
Jaipur

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

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

For Gravita India Limited

For Gravita India Limited

For Gravita India Limited

**Rajat Agrawal**  
(Managing Director)

**Naveen Prakash Sharma**  
(Chief Executive Officer)

**Sunil Kansal**  
(Chief Financial Officer)

# Corporate Governance Compliance Certificate

To  
The Members,  
**Gravita India Limited**

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

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

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

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

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

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

Place: Jaipur  
Date: 25<sup>th</sup> May, 2019

## Certificate of Non-disqualification of Directors

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gravita India Limited having CIN L29308RJ1992PLC006870 and having registered office at Saurabh', Harsulia Mod, P.O. Harsulia, Diggi-Malpura Road Phagi, Rajasthan-303904 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://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 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

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

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

For **P. Pincha & Associates**

Company Secretaries

**Pradeep Pincha**  
**Proprietor**

M. No.: FCS 5369

C. P. No.:4426

Place: Jaipur

Date: 25<sup>th</sup> May, 2019