

Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2024
(Rs. In crores)

Particulars	3 months ended September 30, 2024	Preceding 3 months ended June 30, 2024	Corresponding 3 months ended September 30, 2023	Half year ended September 30, 2024	Corresponding Half year ended September 30, 2023	Previous year ended March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Income						
Revenue from operations	786.30	757.14	705.31	1,543.44	1,359.18	2,679.07
Other income**	18.41	1.64	(1.43)	20.05	15.13	53.21
Total income	804.71	758.78	703.88	1,563.49	1,374.31	2,732.28
II Expenses						
Cost of materials consumed	683.04	630.46	479.39	1,313.50	926.27	1,995.35
Purchase of stock-in-trade	85.25	63.79	97.70	149.04	235.93	336.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(88.78)	(45.70)	25.12	(134.48)	1.58	(18.01)
Employee benefits expense	34.72	29.57	20.55	64.29	48.93	87.06
Finance costs	7.28	6.40	6.84	13.68	16.64	31.21
Depreciation and amortisation expense	3.75	3.62	3.29	7.37	6.55	13.36
Other expenses**	20.12	27.88	20.36	48.00	39.84	78.10
Total expenses	745.38	716.02	653.25	1,461.40	1,275.74	2,524.06
III Profit before tax (I - II)	59.33	42.76	50.63	102.09	98.57	208.22
IV Tax expenses						
Current tax (including earlier years)	10.33	7.63	8.48	17.96	14.89	32.95
Deferred tax (credit)/charged	(1.58)	(0.69)	(1.36)	(2.27)	1.45	(4.35)
Total tax expenses	8.75	6.94	7.12	15.69	16.34	28.60
V Profit for the period/ year (III - IV)	50.58	35.82	43.51	86.40	82.23	179.62
VI Other comprehensive Income						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit liabilities	(0.12)	(0.38)	(0.30)	(0.50)	(0.40)	(1.51)
Income tax on above items	0.04	0.13	0.11	0.17	0.14	0.53
Items that will be reclassified to profit or loss						
Change in fair value of hedging instruments	0.04	1.53	-	1.57	-	(0.98)
Income tax on above items	(0.02)	(0.53)	-	(0.55)	-	0.34
Total other comprehensive Income, net of tax	(0.06)	0.75	(0.19)	0.69	(0.26)	(1.62)
VII Total comprehensive income for the period/ year (V + VI)	50.52	36.57	43.32	87.09	81.97	178.00
VIII Paid-up equity share capital (face value of Rs. 2/- each)	13.81	13.81	13.81	13.81	13.81	13.81
IX Other equity						442.69
X Earnings per share * (in Rs.)						
Basic	7.32	5.19	6.30	12.51	11.91	26.01
Diluted	7.32	5.19	6.30	12.51	11.91	26.01

* Earning per share not annualised except for the year ended March 31, 2024

**Other expenses for the quarter ended June 30, 2024 included a loss on commodity forward contracts amounting to Rs. 5.14 crores, which has been reversed under the same head during the quarter ended September 30, 2024, considering there is a gain amounting to Rs. 16.52 crores in the six month period ended September 30, 2024. Further, the Company had incurred a loss of Rs. 5.38 crores upto six months ended September 30, 2023 which was classified as 'other expenses' in the quarter ended September 30, 2023. Also, the Company had recognised a gain of Rs. 3.24 crores in quarter ended June 30, 2023 which was reversed under the same head as 'other income' in the quarter ended September 30, 2023.

Standalone unaudited Balance Sheet as at September 30, 2024

(Rs. in crores)

Particulars	As at September 30, 2024	As at March 31, 2024
	Unaudited	Audited
I. ASSETS		
Non-current assets		
Property, plant and equipment	202.75	197.16
Capital work-in-progress	9.98	8.14
Right-of-use assets	5.66	5.89
Intangible assets	0.12	0.14
Financial assets		
- Investments	8.52	8.52
- Other financial assets	29.74	3.10
Deferred tax assets (net)	15.18	13.31
Non-current tax assets (net)	2.92	1.46
Other non-current assets	11.82	6.97
Total non-current assets	286.69	244.69
Current assets		
Inventories	565.99	484.98
Financial assets		
- Investments	-	0.65
- Trade receivables	167.13	214.19
- Cash and cash equivalents	0.57	0.29
- Bank balances other than cash and cash equivalents	2.33	1.82
- Other financial assets	91.79	71.88
Other current assets	62.35	20.94
Total current assets	890.16	794.75
TOTAL ASSETS	1,176.85	1,039.44
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	13.81	13.81
Other equity	493.87	442.69
Total equity	507.68	456.50
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	5.45	8.37
- Lease liabilities	1.29	1.46
Provisions	10.24	8.79
Other non-current liabilities	10.26	12.23
Total non-current liabilities	27.24	30.85
Current liabilities		
Financial liabilities		
- Borrowings	260.75	257.89
- Lease liabilities	0.61	0.64
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises ; and	7.87	3.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	219.96	185.28
- Other financial liabilities	132.64	68.86
Other current liabilities	15.49	31.81
Provisions	1.18	1.01
Current tax liabilities (net)	3.43	3.43
Total current liabilities	641.93	552.09
Total liabilities	669.17	582.94
TOTAL EQUITY AND LIABILITIES	1,176.85	1,039.44

Standalone Unaudited Statement of Cash Flows for the half year ended September 30, 2024
(Rs. in crores)

Particulars	For the period ended September 30, 2024 Unaudited	For the period ended September 30, 2023 Unaudited
A. Cash flow from operating activities		
Profit before tax	102.09	98.57
Adjustments for:		
Depreciation and amortisation expense	7.37	6.55
Loss on sale/ discard of property, plant and equipment (net)	0.69	0.39
Finance cost	13.68	16.64
Corporate guarantee income	(1.96)	(1.62)
Incentive income	-	(12.93)
Interest income on bank deposits	(0.19)	(0.08)
Income from mutual funds carried at fair value through profit and loss	(0.02)	(0.04)
Interest income on others	(0.12)	(0.38)
Amortisation of government grant	-	(0.01)
Liabilities/ provisions no longer required written back	-	(11.63)
Share of loss/ (profit) from partnership firms (net)	0.94	(1.55)
Allowance for expected credit loss on financial assets (including write off)	-	0.13
Unrealised loss on financial assets measured at fair value through profit and loss	0.09	-
Unrealised loss on restatement of financial assets and financial liabilities	0.90	1.73
Loss by natural calamities	-	1.03
Operating profit before working capital changes	123.47	96.80
Changes in working capital:		
Adjustments for changes in operating assets:		
Inventories	(81.01)	(15.79)
Trade receivables	47.06	(64.30)
Other current and non-current assets	(41.00)	6.89
Other current and non-current financial assets	(46.25)	(12.26)
Adjustments for change in operating liabilities:		
Trade payables	39.38	40.61
Other current and non-current financial liabilities	64.75	(7.99)
Other current and non-current liabilities	(18.38)	60.37
Provisions	1.12	1.59
Cash generated from operations	89.14	105.92
Income tax paid (net of refunds)	(19.40)	(17.20)
Net cash flow generated from operating activities (A)	69.74	88.72
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)	(20.50)	(16.31)
Proceeds from sale of property, plant and equipment	0.18	0.33
Movement in current investments (net)	(0.27)	1.55
Proceeds received against loan from related parties	-	9.98
Interest received	0.19	0.09
Movement in bank balances not considered as cash and cash equivalents (net)	(0.51)	(3.31)
Net cash used in investing activities (B)	(20.91)	(7.67)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	-	58.03
Repayment of non-current borrowings	(2.92)	(98.04)
Proceeds of current borrowings (net)	4.43	3.91
Payment of lease liabilities (including interest)	(0.30)	(0.40)
Finance cost paid	(13.86)	(16.65)
Dividend paid	(35.90)	(30.03)
Net cash used in financing activities (C)	(48.55)	(83.18)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	0.28	(2.13)
Cash and cash equivalents at the beginning of the year	0.29	6.57
Cash and cash equivalents at the end of the year	0.57	4.44

NOTES:

1. The above results of the Company have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on October 21, 2024. The limited review, as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been completed by the Statutory Auditors. These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, as specified in section 133 of the Companies Act, 2013.
2. Segment information has been provided under the notes forming part of the consolidated unaudited financial results for the quarter and half year ended September 30, 2024 as per para 4 of Indian Accounting Standard (Ind AS) 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013.
3. As at September 30, 2024, 1,000,000 shares of face value of Rs. 2 each, are held by Gravita Employee Welfare Trust.
4. The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.
5. During the quarter and half year ended September 30, 2024, the Company has recognised Minimum Alternate Tax credit amounting to Rs. 2.34 crores and Rs 3.68 crores respectively, based on the management's estimate of future taxable profits.
6. During the previous year ended March 31, 2024, 380,500 shares of face value of Rs. 2 each of the Company, held by the Gravita Employee Welfare Trust ('the Trust'), had been sold in the open market and the proceeds from the sale of such shares, net of liability payable by the Trust, would be utilised for the welfare of the employees of the Group as per the requirement of the Trust Deed. The Company had no legal right or control towards the utilization of funds as accumulated in the Trust by sale of its investment in the open market. The Trust being an independent entity has sole responsibility / obligation to utilize the fund for the welfare of beneficiaries (employees of the Group) as per the terms of the trust deed. Ind AS 32 'Financial Statements - Presentation' requires that no gain or loss shall be recognised in profit or loss on the purchases, sale, issue or cancellation of treasury shares held by the entity or by other entities of the consolidated group. Any gain or loss on such treasury shares shall be recognised directly in other equity. Since, the shares of the Company are held by the Trust which is an independent entity, the said Ind AS 32 is not applicable to the Company. Ind AS 102 'Share-based payment' requires an entity to reflect in its profit or loss and financial position, the effects of share-based payment transactions, including expenses associated with the transactions in which share options are granted to employees.

During the previous year ended 31 March 2024, the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') had been terminated. Post termination of the Scheme, the Trust has no obligation to make payment under any share-based payment scheme. The Trust will act independently and make distribution/usage of fund as per the purpose defined in the trust deed. For the aforesaid reason, the management of the Company is of the view that distribution/utilisation for the employee benefits, equivalent to appreciation, net of liability of Trust, if any, received by the Trust by selling the investment in the open market amounting to Rs. 20.67 crores, would not be recognized in Company's standalone financial results, as the transaction was not covered under Ind AS 102. The Company believes that all the appreciation on sale of such shares by the Trust pertains to the employees of the Company and will be utilised for the welfare of the employees by the Trust and there would not be any impact on the standalone financial results for the previous year ended March 31, 2024. Based on the independent legal opinion and its assessment, management of the Company is of the view that accounting treatment had been done appropriately in the standalone financial results for the previous year ended March 31, 2024.

The Employee Welfare Trust has not sold any shares of the Company in the open market during the current quarter and half year ended September 30, 2024.

The statutory auditors of the Company have modified their review report on account of the effects of this matter on the comparability of current period figures with the corresponding figures of employee benefit expenses and total comprehensive income for the year ended March 31, 2024 presented.

7. During the previous year ended March 31, 2024, the Company had filed an appeal against the demand order received from the Office of the Commissioner of Customs (Preventive), Jodhpur amounting to Rs. 70.10 crore (excluding applicable interest, fine and penalty) for violating the 'pre-import conditions' as envisaged in advance authorisation licence pertaining to the period from October, 2017 to January 2019 vide notification no. 79/2017-Customs dated 17/10/2017 of The Custom Act, 1962. The management of the Company, based on its overall assessment and independent legal and tax opinion believe that the Company has a case on merit and question of law and accordingly, has contested the matter in appellate authorities. Basis above, the management of the Company is of the view that the order will not have any material impact on its standalone financial results and in case of any liability devolves on the Company, the Company will be entitled to take the credit of the tax amount. Considering all available records, facts and opinion of legal and tax counsel, the Company has not identified any adjustments in the standalone financial results.

**For and on behalf of the Board of Directors
For Gravita India Limited**

**Place: Jaipur
Date: 21 October, 2024**

**Yogesh Malhotra
Whole time Director & CEO
DIN: 05332393**