

01st April, 2025
GIL/2025-26/283

To,

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001 Fax No.: 022-22721919 Scrip Code- 533282	The Listing Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block -G, Bandra - Kurla Complex, Bandra (E) Mumbai-400 051 Fax No.: 022-2659 8120 Company Code: GRAVITA
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Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 read with sub-para 20 of Para A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby submit the disclosure regarding Suo moto payment of Tax, Interest and penalty for which query raised by Goods and Services Tax Authority on the company and for the same order is yet to be received from the authority.

The details as required under Clause 20 of Para A of Part A of Schedule III of Listing Regulations is enclosed as Annexure I.

This is for your information and records please.

Yours Faithfully
For Gravita India Limited

Nitin Gupta
Company Secretary
FCS:9984

Encl.:
Annexure I

Regd. Office:

'SAURABH', Chittora Road, Diggi-Malpura Road
Tehsil: Phagi, JAIPUR- 303 904, Raj. (INDIA)
Phone: +91-141-2623266, 2622697 FAX : +91-141-2621491
Email: companysecretary@gravitaindia.com

Details as required under Clause 20 of Para A of Part A of Schedule III of SEBI Listing Regulations are given below:

S No.	Particulars	Details
1.	Name of the Authority	Goods and Services Tax Authority
2.	Nature and details of the action(s) taken, initiated or order(s) passed	Suo moto payment of Tax, Interest and penalty amounting to Rs. 2,52,81,289 (Rupees Two Crores Fifty Two Lakhs Eighty One Thousands Two Hundreds and Eighty Nine Only), Rs. 1,55,33,827 (Rupees One Crore Fifty Five Lakhs Thirty Three Thousands Eight Hundred and Twenty Seven Only) and Rs. 37,92,193/- (Rupees Thirty Seven Lakhs Ninety Two Thousands One Hundred and Ninety Three Only), respectively and for the same order is yet to be received from the authority.
3.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	The order is yet to be received from the authority, and the payment of Tax, Interest, and Penalty was made voluntarily.
4.	Details of the violation(s) / contravention(s) committed or alleged to be committed	<p>The refund mechanism under Rule 89(4) and 89(4B) of the CGST Rules, 2017, has been a subject of significant dispute, primarily due to the arbitrary restrictions imposed on exporters utilizing duty-free inputs. Rule 89(4) provided the standard formula for calculating refunds on zero-rated supplies without payment of tax, while Rule 89(4B) unfairly excluded the turnover of exports made using duty-free imports, thereby reducing the legitimate refund entitlement of exporters.</p> <p>The deletion of Rule 89(4B) by the CBDT, was a necessary correction to align the refund mechanism with Section 54 of the CGST Act, 2017, which does not distinguish between duty-paid and duty-free inputs for refund eligibility. The imposition of additional restrictions through Rule 89(4B) went beyond the scope of the parent legislation, making it ultra vires and legally untenable.</p> <p>With Rule 89(4B) now deleted, all refund claims must be determined solely based on the ITC utilized for zero-rated supplies, without any artificial exclusions. Any past refund denials or reductions based on Rule 89(4B)</p>

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		<p>should be legally challenged, as they lack statutory support. Rule 89(4) should be the sole governing provision for refund calculations, ensuring that exporters receive their rightful refunds without unnecessary procedural hurdles or revenue loss.</p> <p>Nevertheless, without prejudice to our legal rights and contentions, and purely in the interest of cooperative engagement and timely resolution, we have, undertaken a reassessment of the refund and corresponding liability in accordance with the provisions of Rule 89(4B) of the CGST Rules, 2017, as interpreted by the Hon'ble Gujarat High Court in the case of Filatex India Ltd. v. Union of India.</p> <p>In accordance with the aforementioned principles and departmental guidance, we have prepared a revised computation of the refund admissible.</p> <p>As a gesture of good faith and in the spirit of voluntary compliance, we have discharged the full liability as per the revised computation, including the applicable tax, interest, and penalty amounts.</p> <p>These amounts pertain to Financial Year 2020-21 and 2021-22.</p> <p>The payments of differential amount of refund were made voluntarily, These payments were made solely to avoid prolonged litigation and procedural delays, given the unique circumstances of the case particularly the ambiguity between Rule 89(4) and Rule 89(4B), the prior sanction of refund by the department, and the subsequent legal developments surrounding the matter.</p> <p>In light of the above, we will respectfully requested to the authorities that the tax amount deposited through the aforementioned, be re-credited to our Electronic Credit Ledger (ECL).</p>
5.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	<p>There is no material impact on financial or operational activities, except to the extent of Suo moto payment of Tax amounting to Rs. 2,52,81,289 (Rupees Two Crores Fifty Two Lakhs Eighty One Thousands Two Hundreds</p>

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		and Eighty Nine Only), which will be creditable and Input Tax Credit will be provided by Authority in Electronic Credit Ledger, and Suo moto payment of Interest and penalty amounting to Rs. 1,55,33,827 (Rupees One Crore Fifty Five Lakhs Thirty Three Thousands Eight Hundred and Twenty Seven Only) and Rs. 37,92,193/- (Rupees Thirty Seven Lakhs Ninety Two Thousands One Hundred and Ninety Three Only), respectively.
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