


GRAVITA INDIA LIMITED

Regd. office: "Saurabh", Chittora Road, Harsulia Mod, Digg-Malpura Road, Tehsil-Phagi, Jaipur-303904,
 Corporate office: 402, Gravita Tower, A-27-B, Shanti Path, Tilak Nagar, Jaipur-302004, Phone:+91-141-2623266, Fax:+91-141-2621491
 Website: www.gravitaindia.com, Email: companysecretary@gravitaindia.com, CIN No. : L29308RJ1992PLC006870

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2023

(Rs. in crores)

Particulars	3 months ended December 31, 2023	Preceding 3 months ended September 30, 2023	Corresponding 3 months ended December 31, 2022	Nine months ended December 31, 2023	Corresponding nine months ended December 31, 2022	Previous year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Income						
Revenue from operations	599.03	705.31	706.76	1,958.21	1,828.03	2,524.39
Other income***	22.56	(1.43)	(8.63)	37.69	37.32	59.72
Total income	621.59	703.88	698.13	1,995.90	1,865.35	2,584.11
II Expenses						
Cost of materials consumed	458.00	479.39	475.13	1,384.27	1,275.17	1,786.84
Purchase of stock-in-trade	73.10	97.70	151.15	309.03	359.93	503.74
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(18.86)	25.12	(8.99)	(17.28)	(4.88)	(43.53)
Employee benefits expense	22.50	20.55	25.33	71.43	68.26	94.44
Finance costs	7.80	6.84	7.63	24.44	23.66	32.21
Depreciation and amortisation expense	3.40	3.29	2.81	9.95	7.80	10.69
Other expenses***	15.83	20.36	22.66	55.67	72.00	83.47
Total expenses	561.77	653.25	675.72	1,837.51	1,801.94	2,467.86
III Profit before tax (I - II)	59.82	50.63	22.41	158.39	63.41	116.25
IV Tax expenses						
Current tax (including earlier years)	10.35	8.48	5.88	25.24	13.63	23.80
Deferred tax (credit)/ charge (refer note 4)	(0.99)	(1.36)	(0.79)	0.46	(0.30)	(8.70)
Total tax expenses	9.36	7.12	5.09	25.70	13.33	15.10
V Profit for the period/ year (III - IV)	50.46	43.51	17.32	132.69	50.08	101.15
VI Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit liabilities	0.10	(0.30)	0.01	(0.30)	0.04	(0.80)
Income tax on above items*	(0.04)	0.11	(0.00)	0.10	(0.01)	0.28
Items that will be reclassified to profit or loss						
Change in fair value of hedging instruments*	-	-	2.47	-	0.00	0.01
Income tax on above items*	-	-	(0.43)	-	(0.00)	(0.00)
Total other comprehensive income, net of tax	0.06	(0.19)	2.05	(0.20)	0.03	(0.51)
VII Total comprehensive income for the period/ year (V + VI)	50.52	43.32	19.37	132.49	50.11	100.64
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						294.72
X Earnings per share ** (in Rs.)						
Basic	7.31	6.30	2.51	19.22	7.25	14.65
Diluted	7.31	6.30	2.51	19.22	7.25	14.65

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

** Earning per share not annualised except for the year ended March 31, 2023

*** includes gain on commodity forward contracts for the nine month period ended December 31, 2023 amounting to Rs. 18.78 crores and the same has been classified as 'other income' of Rs. 18.78 crores in the quarter ended December 31, 2023. 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 and the same has been reversed under the head under 'other expenses' in the quarter ended December 31, 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. Further, the Company had recognized a gain of Rs. 35.85 crores and Rs. 44.82 crores in the nine months period ended December 31, 2022 and six months period ended September 30, 2022 respectively, therefore, the resultant loss of Rs. 8.97 crores has been reversed and classified under the same head of 'other income' during the quarter ended 31 December 2022.

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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 January 23, 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 nine month ended December 31, 2023 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 31 December 2023, 1,000,000 shares (March 31, 2023: 1,380,500 shares) of face value of Rs. 2 each, are held by Gravita Employee Welfare Trust. Further, the proceeds from the sale of 380,500 shares, net of liability payable by the Gravita Employee Welfare Trust, will be used for the benefit of the employees of the Company.
4. During the quarter and nine months ended December 31, 2023, the Company has recognised Minimum Alternate Tax credit amounting to Rs. 1.00 crores and Rs. 5.00 crores, respectively, based on the management's estimate of future taxable profits.
5. During the previous quarter ended 30 September 2023, 380,500 shares of face value of Rs. 2 each of the Company, held by the Gravita Employee Welfare Trust ('the Trust'), have been sold in the open market and the proceeds from the sale of such shares, net of liability payable by the Trust, will be utilised for the welfare of the employees of the Group as per the requirement of the Trust Deed. The Company has 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 is 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 previous reporting periods, the Company had recorded the transactions as per Ind AS 102 and in the previous quarter, the Gravita Stock Appreciation Rights Scheme, 2017 (the 'Scheme') has 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, will not be recognized in Company's standalone financial results, as the transaction is not covered under Ind AS 102. The Company believe 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. Based on the independent opinion and its assessment, management of the Company is of the view that accounting treatment has been done appropriately in the standalone financial results.
6. During the previous quarter, 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, contest the matter in appellate authorities. Basis above, the management is of the view that the order will not have any material impact on its 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 current period standalone financial results.
7. The figures of previous period have been regrouped/ reclassified to make them comparative with those of current period wherever considered necessary. The impact of such reclassification/regrouping is not material to the standalone financial results.

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

**Place: Jaipur
Date: 23 January, 2024**

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