



R Sogani & Associates
Chartered Accountants

“Shree Dham”

R-20, Yudhishter Marg, ‘C’-Scheme, Jaipur - 302005

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INDEPENDENT AUDITOR’S REPORT

To

The Members of

Gravita Infotech Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Gravita Infotech Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss for the year ended on that date.





Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:





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- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R Sogani & Associates

Chartered Accountants

FRN: 018755C



(Bharat Sonkhiya)

Partner

Membership No: 403023

Place : Jaipur

Date : 26 MAY 2018.

PARTICULARS	Note	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
ASSETS				
Non-Current Assets				
Property, plant and equipment	2	124.77	142.68	162.66
Intangible assets	2	0.04	0.04	0.04
Financial Assets				
Investments	3	30.69	30.59	31.40
Loans	4	1.83	1.64	4.60
Non-current tax assets (net)	9	16.55	15.59	2.69
		173.88	190.54	201.39
Current Assets				
Inventories	5	-	-	25.50
Financial assets				
Investments	6	118.05	243.84	285.12
Loans	6			
Trade receivables	7	0.00	30.32	50.57
Cash and cash equivalents	8	8.17	7.64	35.99
Other current assets	10	18.03	2.77	44.07
		144.25	284.57	441.25
TOTAL ASSETS		318.13	475.11	642.64
EQUITY AND LIABILITIES				
Equity				
Share capital	11	20.00	20.00	20.00
Other Equity	11	275.26	301.36	360.73
		295.26	321.36	380.73
Non-Current Liabilities				
Deferred tax liabilities(Net)	12	10.56	10.56	10.56
		10.56	10.56	10.56
Current Liabilities				
Financial liabilities				
Trade payables	14	2.57	2.11	8.93
Other current liabilities	15	0.61	127.22	209.66
Provisions	16	1.94	1.67	4.39
Current Tax Liabilities (Net)	13	7.19	12.19	28.37
		12.31	143.19	251.35
TOTAL EQUITY AND LIABILITIES		318.13	475.11	642.64

See accompanying notes to the financial statements

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As per our report of even date
For R Sogani & Associates
Chartered Accountants
FRN: 018755C


Bharat Sonkhiya
Partner
Membership No: 403023




Place: Jaipur
Date:

26 MAY 2018



For and on behalf of the Board of Directors


Rajat Agrawal
(Director)
DIN: 00855284


M.P. Agarwal
(Director)
DIN: 00188179

Place: Jaipur
Date:

Gravita Infotech Limited
(Formerly known as Gravita Exim Ltd.)
Statement of profit and loss for the year ended March 31, 2018

(Rs. in lacs)

PARTICULARS	Note	For the year ended on March 31, 2018	For the year ended on March 31, 2017
INCOME			
Revenue from Operations	17	563.86	43.40
Other Income	18	9.65	10.65
Total revenue (I)		573.51	54.05
EXPENSES			
Cost of Material Consumed	19	507.76	20.20
Change in Inventory of Finished Goods, WIP & Stock In Trade	20	-	25.50
Employee Benefit Expenses	21	9.07	12.51
Depreciation and Amortisation Expense	2	15.58	19.52
Other Expenses	22	29.48	31.99
Total expenses (II)		561.89	109.72
Share of profit of associates (III)		0.10	(0.81)
PROFIT BEFORE TAX (I - II + III)		11.72	(56.48)
Less: Tax Expense			
Current tax expense relating to prior years		37.82	2.89
Current Tax		-	-
Deferred Tax		-	-
Profit/(Loss) for the period		(26.10)	(59.37)
Prior Period Income Tax Written Back		-	-
Amount Available for Appropriation		(26.10)	(59.37)
Earning per Equity Share (Face Value Rs 10 each)	26		
Basic EPS		(13.05)	(29.68)
Diluted EPS		(13.05)	(29.68)

See accompanying notes to the financial statements

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As per our report of even date
For R Sogani & Associates
Chartered Accountants
FRN: 018755C


Bharat Sonkhiya
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Membership No: 403023




Place: Jaipur
Date:

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Rajat Agrawal
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DIN: 00188179

Place: Jaipur
Date:



Gravita Infotech Limited
(Formerly known as Gravita Exim Ltd.)
Cash Flow Statement for the year ended March 31, 2018

(Rs. in lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
1) NET CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	11.62	(55.67)
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation of current year	15.58	19.52
Loss on sale of Fixed Assets	1.06	0.12
Operating Profit before working capital change	28.26	(36.03)
Movements in working capital:		
Increase/(decrease) in trade payables	0.47	(6.83)
Increase/(decrease) in other current liabilities	(126.61)	(82.44)
Decrease/(increase) in other current assets	(15.26)	41.30
Decrease/(increase) in trade receivable	30.31	20.26
Decrease/(increase) in inventories	-	25.50
Increase/(decrease) in short term Provision	0.27	(2.72)
Current Tax Liabilities (Net)	(5.00)	(16.17)
Cash generate from/(used in) operating activities	(87.54)	(57.13)
Direct taxes paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	(87.54)	(57.13)
2) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investment	125.79	41.28
(Purchase)/ Sales of fixed assets	1.26	0.34
Proceeds from borrowings (net)	(0.19)	2.96
Non Current Tax Assets	(0.96)	(12.91)
NET CASH FLOW FROM INVESTING ACTIVITIES	125.90	31.67
3) NET CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) from current capital	(37.83)	(2.89)
NET CASH FLOW FROM FINANCING ACTIVITIES	(37.83)	(2.89)
Increase in cash and cash equivalent (A+B+C)	0.53	(28.35)
Add: Opening cash	7.64	35.99
Closing cash	8.17	7.64

See accompanying notes to the financial statements

As per our report of even date
For R Sogani & Associates
Chartered Accountants
FRN:- 018755C



Bharat Sonkhiya
Partner
Membership No: 403023

Place: Jaipur
Date:

26 MAY 2018

For and on behalf of the Board of Directors


Rajat Agrawal
(Director)
DIN: 00855284


M.P. Agarwal
(Director)
DIN: 00188179

Place: Jaipur
Date:



Gravita Infotech Limited
 (Formerly known as Gravita Exim Ltd.)
 Statement of changes in equity for the year ended March 31, 2018

a. Equity share capital

Particulars	(Rs. in lacs)
	Amount
Balance as at April 1, 2016	20.00
Changes in equity share capital during the year	-
Balance as at March 31, 2017	20.00
Changes in equity share capital during the year	-
Balance as at March 31, 2018	20.00

b. Other equity

Particulars	(Rs. in lacs)	
	Surplus in Statement of Profit and Loss	Total
Balance as at April 1, 2016	360.73	360.73
Profit for the year	(59.37)	(59.37)
Balance as at March 31, 2017	301.36	301.36
Profit for the year	(26.10)	(26.10)
Balance as at March 31, 2018	275.26	275.26

See accompanying notes to the financial statements

As per our report of even date
 For R Sogani & Associates
 Chartered Accountants
 FRN: 018755C



 Bharat Sonkhiya
 Partner
 Membership No: 403023

Place: Jaipur
 Date:

26 MAY 2018

For and on behalf of the Board of Directors


 Rajat Agrawal
 (Director)
 DIN: 00855284


 M.P. Agarwal
 (Director)
 DIN: 00188179

Place: Jaipur
 Date:



Note 1 - General information and Significant Accounting Policies

Note 1.1 - General information

Gravita Infotech Ltd is a Company incorporated in India, having registered office at Jaipur of Rajasthan State and having principal place of business in Jaipur itself.

Note 1.2 - Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable. The financial statements up to the year ended March 31, 2018 were prepared in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act ('Previous GAAP'). These are company first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

Note 1.3 - Significant Accounting Policies

I. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

II. Revenue recognition

Sale of goods :- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales of products is inclusive of excise duty and net of value added tax / sales tax / goods and service tax.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

Income from partnership companys :- Profit from partnership companys which are in the same line of operation is considered as operating Income. The share of profit in partnership company is recognised as income in the statement of profit and loss as and when the right to receive the profit share is established.

III. Property, Plant and Equipment

i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2017 measured as per the previous GAAP. Cost is inclusive of inward freight, non refundable duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated.

IV. A. Depreciation / amortisation

- i. The company is following the straight line method of depreciation in respect of Property, plant and equipment.
- ii. Depreciation on all tangible assets is provided over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Freehold Land is not depreciated.
- iii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- iv. Intangible assets, comprising of development expenditure on technical know how and commercial rights are amortised on a straight line method over a period of 5 years.



V Financial Instruments

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Non derivative financial instruments

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI): A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(iv) Financial assets carried at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

(v) Financial liabilities : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

VI Inventories

Finished goods and Stock-in-trade are valued at lower of cost (moving weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary.

The bases of determining costs for various categories of inventories are as follows:-

Raw material and components - Weighted average
Work in progress and finished goods - Material cost plus appropriate share of labour and other overheads including excise duty on finished goods

VII Employee Benefits

- i. The Company has various schemes of employee benefits such as provident fund, employee state insurance scheme, gratuity and Compensated Absences, which are dealt with as under:
- ii. Contributions to provident fund and employee state insurance scheme are charged to statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employees.
- iii. Provision for gratuity is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Re-measurement comprising actuarial gains and losses are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.
- iv. Provision for leave encashment (including long term compensated absences) is made based on an actuarial valuation. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.
Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

VIII Use of estimates and judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

(i) Useful lives and residual value of property, plant and equipment, intangible assets and investment properties : Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

(ii) Deferred tax assets : The Company has reviewed the carrying amount of deferred tax assets including MAT credit at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

IX Earnings per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

X Operating Cycle

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Gravita Infotech Limited
(Formerly known as Gravita Exim Ltd.)
Notes forming part of the financial statements

Note:2 - Property, plant and equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As on 01.04.2016	Addition	Adjustment	As on 31.03.2017	up to 01.04.2016	Current Year Depreciation	Sold/ Adjustments	As on 01.04.2016	As 31.03.2017
Land-Free Hold	-	-	-	-	-	-	-	-	-
Buildings-Factory	97.91	-	-	97.91	-	1.70	-	97.91	96.21
Plant & Equipment	0.35	-	-	0.35	-	0.04	-	0.35	0.31
Electronic Equipments	17.33	-	0.13	17.19	-	4.09	0.13	17.33	13.23
Computer and Accessories	1.29	-	2.44	(1.15)	-	0.26	2.32	(2.06)	0.91
Furniture & Fixtures	24.22	-	0.50	23.72	-	3.54	0.16	24.22	20.35
Vehicles	21.56	-	-	21.56	-	9.89	-	21.56	11.67
Total	162.66	-	3.08	159.59	-	19.52	2.61	162.66	142.68
Software	0.04	-	-	0.04	-	-	-	-	0.04
Grand Total	162.70	-	3.08	159.63	-	19.52	2.61	162.70	142.72

As at March 31, 2018 and March 31, 2017

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As on 01.04.2017	Addition	Adjustment	As on 31.03.2018	up to 01.04.2017	Current Year Depreciation	Sold/ Adjustments	As on 01.04.2017	As 31.03.2018
Land-Free Hold	-	-	-	-	-	-	-	-	-
Buildings-Factory	97.91	-	-	97.91	1.70	1.70	-	96.21	94.52
Plant & Equipment	0.35	-	-	0.35	0.04	0.04	-	0.31	0.27
Electronic Equipments	17.19	-	7.31	9.88	3.96	3.50	6.21	13.23	8.64
Computer and Accessories	(1.15)	-	4.06	(5.21)	(2.06)	0.24	3.97	(5.79)	0.58
Furniture & Fixtures	23.72	-	1.85	21.87	3.38	3.40	0.71	20.35	15.80
Vehicles	21.56	-	-	21.56	9.89	6.70	-	11.67	4.97
Total	159.59	-	13.22	146.36	16.91	15.58	10.90	142.68	124.77
Software	0.04	-	-	0.04	-	-	-	-	0.04
Grand Total	159.63	-	13.22	146.41	16.91	15.58	10.90	142.72	124.81



(Amount in Rs)

Note 3: NON-CURRENT INVESTMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investments consist of the followings			
Trade Investments - carried at cost			
-Investment in equity instruments (unquoted)			
-of Associates companies			
Pearl Landcorn Pvt. Ltd. 5,000 (5,000) Equity Share of ₹ 10 each fully paid up	3.63	3.53	4.34
Noble buidestate Pvt Ltd 10 (10) Equity Share of Rs.10 each fully paid up	0.04	0.04	0.04
-Investment in partnership firms			
Gravita Metals	20.00	20.00	20.00
Gravita Metal Inc	5.00	5.00	5.00
Gravita Infotech (Formerly know as Gravita Technomech)	1.02	1.02	1.02
-Investment in limited liability partnership (LLP) (4)			
Recycling Infotech LLP	0.98	0.98	0.98
Other investments			
NSC (Pledge with Sales Tax Department)	0.03	0.03	0.03
	30.69	30.59	31.40
Note 4: Loan	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposit	1.83	1.64	4.60
	1.83	1.64	4.60
Note 5: INVENTORIES	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stock In Trade	-	-	25.50
Less : Write down of inventory to net realisable value	-	-	25.50
	-	-	-
	-	-	25.50
Note 6: CURRENT INVESTMENTS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
-Investment in partnership firms (trade)			
Recycling Infotech LLP	0.41	0.31	(0.02)
Gravita Metals	108.13	233.62	234.86
Gravita Metal Inc	19.32	16.97	39.96
Gravita Infotech (Formerly know as Gravita Technomech)	(9.82)	(7.06)	10.32
	118.05	243.84	285.12
Note 7: TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	19.57	50.23	70.48
Less: Provision for doubtful debtors	19.57	19.91	19.91
	0.00	30.32	50.56
Other trade receivables			
Unsecured and Considered Good	-	-	-
	-	-	-
	0.00	30.32	50.56
(i) The credit period generally allowed on sales varies, on case to case basis, business to business, based on market conditions. Maximum credit period allowed is upto 120 days.			
(ii) Age of receivables:			
Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
within the credit period	-	-	34.46
1 to 180 days past due	-	-	-
More than 180 days past due	-	30.32	16.10



(Amount in Rs)

Note 8: CASH AND BANK BALANCES	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks:			
On Current Accounts	0.95	1.31	4.63
On Deposits	5.62	5.28	17.00
Cash on hand	1.60	1.05	0.12
Cheques on hand/Remittances in transit	-	-	14.24
	8.17	7.64	35.99

Note 9: Tax Assets (Net)	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Income Tax Refund Receivable	3.79	3.79	2.69
TDS Receivable	5.20	4.25	-
Foreign Tax Withhold AY 2014-15	7.56	7.56	-
	16.55	15.59	2.69

Note 10: OTHER CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance to employees including imprest	0.02	0.05	(0.01)
Advances to related parties	7.18	-	-
Advance to vendors	8.11	1.03	43.84
Doubtful	-	-	77.88
	8.11	1.03	121.72
Less: Provision for doubtful advances	0.34	-	77.88
	7.77	1.03	43.84
Prepaid expenses	0.31	0.23	0.18
Balances with government authorities	2.75	1.46	0.07
	18.03	2.77	44.07

Note 11: SHARE CAPITAL	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorized Share Capital			
200,000 Equity Shares of Rs. 10/- each	20.00	20.00	20.00
Issued, Subscribed & Paid up Capital			
200,000 Equity Shares of Rs. 10/- each fully Paid-up	20.00	20.00	20.00
	20.00	20.00	20.00

Notes:

1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	Number of shares	Share capital
Balance at 1 April, 2016	2,00,000	20,00,000
Movements	-	-
Balance at 31 March, 2017	2,00,000	20,00,000
Movements	-	-
Balance at 31 March, 2018	2,00,000	20,00,000

1.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a face value of Rs 10 per share. Each Equity share holder is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

1.3 Shares held by the holding/ultimate holding company and/or their subsidiaries/associates: -

	March 31, 2018		March 31, 2017	
	No. of share	% holding	No. of share	% holding
Equity Shares of Rs. 10 each fully paid-up				
Gravita India Limited (Holding Co.)	2,00,000	100%	2,00,000	100%

1.4 Details of shareholders holding more than 5% shares in the company

	March 31, 2018		March 31, 2017	
	No. of shares	% holding	No. of shares	% holding
Equity Shares of Rs. 10 each fully Paid-up				
Gravita India Limited (Holding Co.)	2,00,000	100%	2,00,000	100%

Note 11: OTHER EQUITY	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Reserves and Surplus			
Surplus/(Deficit) in the statement of Profit and Loss			
Opening Balance	301.36	360.73	410.31
Profit & (Loss) for the year	(26.10)	(59.37)	(49.58)
Appropriation	-	-	-
Total Reserves and Surplus	275.26	301.36	360.73



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(Amount in Rs)

Note 12: DEFERRED TAX LIABILITY (NET)	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax liability on:			
Accelerated depreciation	10.56	10.56	10.56
Less:- MAT Credit	-	-	-
	10.56	10.56	10.56

Note 13: Current Tax Liability (Net)	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Income tax	7.19	12.19	28.37
Less:- Advance tax	-	-	-
	7.19	12.19	28.37

Note 14: Trade Payables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding dues to Micro and Small enterprises	-	-	-
Outstanding dues to parties other than Micro and Small enterprises	2.57	2.11	8.93
	2.57	2.11	8.93

Based on the information available with the company, no suppliers has been identified, who is registered under the Micro, Small & Medium Enterprise Development Act, 2006. Further, the Company has not received any claim of interest from any supplier under the said Act.

Note 15: Other Current Liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance From Customer	-	89.86	-
Payable to related Parties	-	37.23	203.10
Statutory remittances *	0.61	0.13	6.56
	0.61	127.22	209.66

* It includes GST and TDS Payable.

Note 16: Short Term Provisions	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provisions for Employee Benefits Plan			
Provision for Gratuity	1.11	1.00	2.43
Leave Encashment	0.83	0.67	1.95
	1.94	1.67	4.39

Note 17: REVENUE FROM OPERATIONS	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Products	536.83	34.04
Sale of Services	-	0.45
Other operating revenue	-	-
Export Incentive	12.19	-
Income from Partnership Firms	14.83	8.91
Revenue from operations	563.86	43.40

Note 18: OTHER INCOME	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income on		
Bank deposits	0.38	0.63
Rent Income	9.15	9.40
Over Rights Commission Receivable	-	0.09
Income from Commission /Brokerage	-	0.01
Income From Website Development	0.12	-
Misc income (Scrap Sale)	-	0.52
Dividend Income From Subsidiary	-	-
	9.65	10.65

Note 19: Cost of Raw Material and Consumables Consumed	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Opening Stock	-	-
Add: Purchases	507.76	20.20
Add: Direct Expenses	-	-
Less: Closing stock of Materials	-	-
	507.76	20.20

Note 20: Change in Stock in Trade During the Year	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Opening Stock	-	25.50
Less: Closing stock	-	-
	-	25.50



Note 21: Employee Benefits Expenses	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages, bonus etc.	8.03	11.84
Contribution to Provident and Other Fund	0.52	0.46
Staff Welfare Expenses	0.51	0.21
	9.07	12.51

Note 22: Others Expenses	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Power and fuel	1.94	1.35
Rent	6.33	8.78
Repairs and Maintenance		
Vehicles	1.04	2.18
Buildings	0.01	0.20
Insurance Expenses	0.62	0.56
Freight and Forwarding Charges(net)	-	0.04
Travelling and Conveyance Expenses	-	0.15
Legal and Professional Fees	0.29	0.04
Communication Expenses	0.07	0.07
Bank Charges	4.64	14.68
Payment to auditor:		
Statutory & Tax Audit	0.07	0.11
Website Expenses	-	0.01
Export Expenses	6.33	-
Sales commission	-	0.33
Membership and Subscription Expenses	0.33	-
Misc Balances Written Off	0.07	0.09
Round Off / on		0.00
Rates and Taxes	0.38	0.39
Loss on Sale of Fixed Assets (net)/Discard	1.06	0.12
Miscellaneous	0.06	0.08
Foreign Exchange Gain Loss	6.25	2.81
	29.48	31.99

Note 23 - Auditor's remuneration	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
Payment to auditor:		
Statutory & Tax Audit	0.07	0.11
	0.07	0.11

Note 24- Earnings Per Share (EPS)	For the Year ended 31st March, 2018	For the year ended 31st March, 2017
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(26.10)	(59.37)
ii) Weighted Average number of equity Shares used as denominator for calculating EPS	2,00,000	2,00,000
iii) Basic and Diluted Earnings per share	(13.05)	(29.68)
iv) Face Value per equity Share	Rs. 10	Rs. 10

Note 25 - Disclosure under Ind-AS 17 "Leases"

ii) Operating leases :

General description of the firm's operating lease arrangements:

The Company has entered into operating lease arrangements for lease of certain facilities and office premises.

Some of the significant terms and conditions of the arrangements are:

- agreements are generally executed for the period of 11 months and may generally be terminated by either party by serving a notice period
- the lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement;
- the firm shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

Future minimum lease payments under non cancellable operating leases are :

	As At 31st March, 2018	As At 31st March, 2017	As At 1st April, 2016
Not later than one year	6.56	6.33	17.28
later than one year but not later than five year	8.76	15.66	72.90
Later than five year	-	-	8.36

	Current year	Previous year
Lease rent in respect of the above, charged to the statement of profit and loss for the year :	6.33	8.78



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Note 26 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

(i) Detail of transaction and balance outstanding with related parties

Particulars	(Rs. in lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sales to Related Party		
Gravita India Ltd	13.87	11.51
Purchases From Related Party		
Gravita India Ltd	456.14	-
Rent Income From		
Gravita India Ltd	9.15	9.40

Closing balances with related parties :

Particulars	(Rs. in lacs)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance outstanding as at year end			
Receivables / advances			
Gravita India Ltd	7.18	37.23	203.10
Recoverable from related party			
Gravita India Ltd			
Capital Account			
Gravita India Ltd.	275.26	301.36	360.73
Investment Balances			
Recycling Infotech LLP	0.41	0.31	(0.02)
Gravita Metals	108.13	233.62	234.86
Gravita Metal Inc	19.32	16.97	39.96
Gravita Infotech (Formerly known as Gravita Technomech)	(9.82)	(7.06)	10.32



Note 27 (a) - Transition to Ind AS - Principle and reconciliations

Overall principle

These are the Company's first financial statement prepared in accordance with Ind AS, accordingly the Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the exception and certain optional exemptions availed by the Company as detailed below :

A. Mandatory exceptions

Estimates

The estimates as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts are in accordance with the Ind AS which reflects conditions as at April 1, 2016, the date of transition to Ind AS and as at March 31, 2017.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial instruments

(I) Financial Instruments: (Security deposits paid)

Financial assets / liabilities like security deposits paid, has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(II) Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

B. Optional exemptions

Deemed cost for property, plant and equipment and intangible assets

The Company has opted to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value and use that carrying value as its deemed cost.

Reconciliation of Equity

Particulars	Note	(Rs. in lacs)	
		As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		320.12	377.82
Change in Income From Partnership Firm Income due to IND AS	(a)	(1.78)	(0.93)
Total adjustment to equity		1.24	2.91
Total equity under Ind-AS		321.36	380.73



i. Effect of Ind AS adoption on Balance sheet

(Rs. in lacs)

Particulars	Note	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 01, 2016 (Date of transition)		
		Previous GAAP *	Effect of transition to Ind-AS	Ind-AS	Previous GAAP *	Effect of transition to Ind-AS	Ind-AS
I. ASSETS							
1 Non - current assets							
(a) Property, Plant and Equipment		142.68	-	142.68	162.66	-	162.66
(b) Capital work-in-progress							
(c) Goodwill							
(d) Other Intangible assets		0.04	-	0.04	0.04	-	0.04
(e) Intangible assets under development							
(f) Financial Assets							
(i) Investments							
a) Investments in equity instruments of subsidiaries							
b) Investments in partnership firms		30.59	-	30.59	31.40	-	31.40
c) Other Investments							
(ii) Loans		1.64	-	1.64	4.60	-	4.60
(iii) Others							
(g) Deferred tax (liabilities) / assets (net)							
(h) Non current tax assets		15.59	-	15.59	2.69	-	2.69
(i) Other non current assets		-	-	-	-	-	-
		190.55	-	190.55	201.39	-	201.39
2 Current assets							
(a) Inventories		-	-	-	25.50	-	25.50
(b) Financial Assets							
(i) Investments In Partnership Firms		243.84	-	243.84	285.12	-	285.12
(ii) Trade receivables		30.32	-	30.32	50.57	-	50.57
(iii) Cash and cash equivalents		7.64	-	7.64	35.96	0.03	35.99
(iv) Bank balances other than (iii) above					0.03	(0.03)	
(v) Loans							
(vi) Others		-	-	-			
(d) Other current assets		2.77	-	2.77	44.07	-	44.07
(e) Assets classified as held for sale							
		284.56	-	284.56	441.25	-	441.25
Total Assets		475.11	-	475.11	642.64	-	642.64
II. EQUITY AND LIABILITIES							
1 Equity							
(a) Equity Share Capital		20.00	-	20.00	20.00	-	20.00
(b) Other Equity		301.36	-	301.36	360.73	-	360.73
		321.36	-	321.36	380.73		380.73
2 Liabilities							
Non - current liabilities							
(a) Financial Liabilities							
(i) Borrowings							
(ii) Other financial liabilities							
(b) Provisions							
(c) Deferred Tax Liabilities		10.56	-	10.56	10.56	-	10.56
		10.56	-	10.56	10.56		10.56
3 Current liabilities							
(a) Financial Liabilities							
(i) Borrowings							
(ii) Trade payables		2.11	-	2.11	8.93	-	8.93
(iii) Other financial liabilities							
(b) Other current liabilities		127.22	-	127.22	209.66	-	209.66
(c) Provisions		1.67	-	1.67	4.39	-	4.39
(d) Current Tax Liabilities (net)		12.19	-	12.19	28.37	-	28.37
		143.18	-	143.18	251.35		251.35
Total Equity and Liabilities		475.11	-	475.11	642.64		642.64

* The previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



Gravita Infotech Limited
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ii. Effect of Ind-AS adoption on the Statement of profit and loss for the year ended March 31, 2017

Particulars	Note	(Rs. in lacs)		
		For the year ended March 31, 2017		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind-AS	Ind-AS
I Revenue from operations	(a)	44.25	(0.85)	43.40
II Other income		10.65	-	10.65
III Total revenue (I + II)		54.90	(0.85)	54.05
IV Expenses:				
(a) Cost of materials consumed		20.20	-	20.20
(b) Purchases of stock-in-trade (traded goods)		-	-	-
(c) Changes in inventories of FG, stock-in-trade and work in progress		25.50	-	25.50
(d) Excise duty on sale of goods		-	-	-
(e) Employee benefits expense		12.51	-	12.51
(f) Finance costs		14.68	(14.68)	-
(g) Depreciation and amortisation expense		19.52	-	19.52
(h) Other expenses		17.31	14.68	31.99
Total expenses (IV)		109.72	-	109.72
V Share of profit of associates		(0.81)	-	(0.81)
VI Profit before tax (III - IV + V)	(a)	(55.63)	(0.85)	(56.48)
VII Tax expense:				
(a) Current tax		2.89	-	2.89
(b) Deferred tax charge / (credit)		-	-	-
		2.89	-	2.89
VIII Profit for the year (VI - VII)		(58.52)	(0.85)	(59.37)
IX Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss		-	-	-
Total other comprehensive income for the year		-	-	-
X Total other comprehensive income for the period		(58.52)	(0.85)	(59.37)

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Note	(Rs. in lacs)
		For the year ended March 31, 2017 (Latest period presented under previous GAAP)
Profit as per previous GAAP		(58.52)
Adjustments :		
Change in Income from Partnership Firm	(a)	(0.85)
Total effect of transition to Ind-AS		(0.85)
Profit for the year as per Ind-AS		(59.36)
Other comprehensive income for the year (net of tax)		-
Total comprehensive income under Ind-AS		(59.37)

Note : Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.



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Notes forming part of the financial statements

iv. Effect of Ind-AS adoption on the Statement of cash flows for the year ended March 31, 2017

(Rs. in lacs)

Particulars	Note	For the year ended March 31, 2017		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind-AS	Ind-AS
Net cash flows from operating activities		(64.81)	7.68	(57.14)
Net cash flows from investing activities		51.17	(19.49)	31.67
Net cash flows from financing activities		(14.68)	11.79	(2.89)
Net increase (decrease) in cash and cash equivalents		(28.32)	(0.03)	(28.35)
Cash and cash equivalents at the beginning of the period		35.96	0.03	35.99
Cash and cash equivalents at the end of the period		7.64	(0.00)	7.64
		7.64		7.64

v. Analysis of cash and cash equivalents as at March 31, 2017 and as at April 1, 2016 for the purpose of statement of cash flows under Ind-AS

(Rs. in lacs)

Particulars	As at March 31, 2017	As at April 1, 2016
	(End of last period presented under previous GAAP)	(Date of transition)
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	7.64	35.99
Cash and cash equivalents for the purpose of statement of cash flows under Ind-AS	7.64	35.99

Note :-

(a) Due to IND AS Adjustment

Change in Income from Partnership Firm due to Ind as adjustments.

(b) Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(C.) The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the Company.

For R Sogani & Associates
Chartered Accountants
Firm Reg. No.:- 018755C

Bharat Sonkhiya
Partner
Membership No: 403023

Place: Jaipur
Date:

26 MAY 2018



For and on behalf of the Board of Directors

Rajat Agrawal
(Director)
DIN: 00855284

Place: Jaipur
Date:

M.P Agarwal
(Director)
DIN: 00188179

