



R Sogani & Associates
Chartered Accountants

“Shree Dham”
R-20, YudhishterMarg, ‘C’-Scheme, Jaipur - 302005
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INDEPENDENT AUDITOR’S REPORT
Prepared for Consolidation Purpose

From: R Sogani & Associates

Date: 27th May, 2019

**Subject: Consolidation of Gravita Infotech For the year ended
31st March, 2019**

To: Deloitte Haskins & Sells, Gurgaon, India

In accordance with the instructions in your e-mail dated 26th February, 2019, we have audited, for purpose of your audit of the consolidated financial statements of Gravita India Limited, the accompanying balance sheet of Gravita Infotech as at 31st March 2019, the Statement of profit and loss and also the Cash flow statement of the Firm for the year ended on the same date and other reconciliations and information (all collectively referred to as the Fit For Consolidation (FFC) Accounts).

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Balance Sheet of Gravita Infotech as of 31st March, 2019 for the year then ended has been prepared, in all material respects, in accordance with the accounting policies generally accepted in India:

- a) In case of the consolidated Balance Sheet, of the state of affairs of the Firm as at March 31st, 2019;
- b) In case of the consolidated Statement of Profit and Loss, of the Loss for the year ended on that date.
- c) In case of the consolidated Cash Flow Statement, for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) Issued by ICAI. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI.





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

Responsibilities of Management and those charged with governance for the FFC Accounts

Management is responsible for the preparation and presentation of this FFC Accounts in accordance with accounting policies generally accepted in India. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the FFC Accounts that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This FFC Accounts has been prepared solely to enable Gravita India Limited to prepare its consolidated financial information.

Auditor's Responsibilities

Our responsibility is to express an opinion on this FFC Accounts based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the FFC Accounts is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the FFC Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the FFC Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Firm's preparation and presentation of the FFC Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Firm's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the FFC Accounts.

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

Restriction to use and Distribution

These FFC accounts have been prepared for the purpose of providing information to **Gravita India Limited** to enable it to prepare the consolidated financial statement of the group, as a result these FFC accounts are not the complete set of financial statement of Gravita Infotech in accordance with the accounting principles generally accepted in India and is not Intended to give a true and fair view of financial position of Gravita Infotech as on 31st March, 2019 and of its financial performance, in

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accordance with the accounting principles generally accepted in India. The financial information may, therefore, not be suitable for another purpose.

For R Sogani & Associates
Chartered Accountants
FRN: 018755C

(Bharat Sonkhiya)
Partner

Membership No: 403023



Place : Jaipur

Date : 27th May, 2019

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Gravita Infotech
 Earlier known as Gravita Technomech
 Registration NO 13/314/2011
 303,Rajputana Tower, A-27B,Tilak Nagar, Shanti Path,Jaipur
 Balance sheet as at Mar 31, 2019

(Rs In lacs)

Particulars	Note	As at	
		Mar 31, 2019	March 31, 2018
I. ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	2	6.99	7.99
(b) Tax Assets (net)	4	0.34	0.34
(c) Other non current assets	3 (a)	-	0.30
		7.33	8.63
2 Current assets			
(a) Financial Assets			
(i) Trade receivables	6	0.02	-
(ii) Cash and cash equivalents	5	1.01	0.86
(b) Other current assets	3 (b)	1.04	1.04
		2.07	1.90
Total Assets		9.40	10.53
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Partner's capital			
Total Equity	7	9.40	10.39
		9.40	10.39
Total Equity		9.40	10.39
2 Liabilities			
(a) Financial Liabilities			
(i) Trade payables	8	0.00	0.14
		0.00	0.14
		0.00	0.14
Total Equity and Liabilities		9.40	10.53

See accompanying notes forming part of the financial statements

1 to 15

As per our report of even date

In the confirmation of the facts

For R Sogani & Associates

Chartered Accountants

Firm Reg No :- 018755C

Bharat Sonkhiya

Partner

M.NO 403023

Gravita Infotech

(Formerly known as Gravita Technomech)

Rajat Agrawal

(DIN:- 00855284)

(Managing Director of partner company Gravita India Limited
 and Director of Gravita Infotech Limited)

Place : Jaipur

Date : 27 MAY 2019



Gravita Infotech
Earlier known as Gravita Technomech
Registration NO 13/314/2011
303,Rajputana Tower, A-27B,Tilak Nagar, Shanti Path,Jaipur
Statement of profit and loss for the year ended Mar 31,2019

Particulars	Note	For the year ended Mar 31, 2019	For the year ended March 31, 2018
I Other income	9	-	0.19
II Total income		-	0.19
III Expenses:			
(a) Employee benefits expense	10	0.04	0.01
(b) Depreciation and amortisation expense	11	0.92	5.48
(c) Other expenses	12	0.09	0.11
Total expenses (III)		1.05	5.60
IV Share of profit of associates			
V Profit before tax (III - IV + V)		(1.05)	(5.40)
VI Tax expense:			
(a) Current tax	14	(0.14)	-
VII Profit for the year (V - VI)		(0.91)	(5.40)
VIII Total comprehensive income for the year		(0.91)	(5.40)
Profit Transferred to Partners			
Gravita India Limited		(0.45)	(2.65)
Gravita Infotech Limited		(0.46)	(2.76)

See accompanying notes forming part of the financial statements
In terms of our report attached.

1 to 15

In the confirmation of the facts

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

Bharat Sonkhiya
Partner
M.NO 403023



Gravita Infotech
(Formerly known as Gravita Technomech)

Rajat Agrawal
(DIN:- 00855284)

(Managing Director of partner company Gravita India Limited and
Director of Gravita Infotech Limited)

Place : Jaipur

Date 27 MAY 2019



(Rs In lacs)

Particulars	For the year ended Mar 31, 2019		For the year ended March 31, 2018	
A. Cash flow from operating activities				
Profit before extraordinary items and tax		(1.05)		(5.40)
Adjustments for :				
Depreciation and amortisation	0.92		5.48	
Loss/(Profit) on sale of fixed assets	-		(0.19)	
		0.92		5.29
Operating profit before working capital changes		(0.13)		(0.11)
Changes in working capital:				
Adjustments for (Increase) / decrease in operating assets:				
Trade receivables	(0.02)			
Other non-current assets	0.30			
Other current assets	(0.01)		0.04	
Trade payables	(0.14)		0.03	
Other current liabilities	-		0.07	
		0.13		0.14
Cash generated from operations		0.00		0.03
Net cash flow (used) / from operating activities (A)		0.00		0.03
B. Cash flow from investing activities				
Capital expenditure on fixed assets (adjusted for suppliers payable and capital work-in- Proceeds from sale of fixed assets	0.09		1.02	
Net cash flow from / (used in) investing activities (B)		0.09		1.02
C. Cash flow from financing activities				
Proceeds from issue of equity shares	0.07		(0.94)	
Net cash flow from / (used in) financing activities (C)		0.07		(0.94)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		0.16		0.10
Cash and cash equivalents at the beginning of the year		0.86		0.76
Cash and cash equivalents at the end of the year		1.01		0.86

See accompanying notes forming part of the financial statements 1 to 15

For R Sogani & Associates
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Bharat Sonkhiya
Partner
M.NO 403023

In the confirmation of the facts
Gravita Infotech

Rajat Agrawal
(DIN:- 00855284)
(Managing Director of partner company
Gravita India Limited and Director of
Gravita Infotech Limited)

Place : Jaipur
Date

27 MAY 2019



Notes forming part of the financial statements

Note 1 - General information and Significant Accounting Policies

Note 1.1 - General information

The firm is engaged in the business of information Technology, Software, Web & mobile applications and all other Information technology related services.

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.

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 and generally as per requirement of Indian Partnership Act 1932. The accounting policies not specifically mentioned are consistent with generally accepted accounting principles 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 firm 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. 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.

III. A. Depreciation / amortisation

- i. The firm 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 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.

V Operating Cycle

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

See accompanying notes forming part of the financial statements

In confirmation of Facts

Gravita Infotech
(Formerly known as Gravita Technomech)

Rajat Agrawal
(DIN:- 00855284)

(Managing Director of Partner company Gravita India Limited and
Director of Gravita Infotech Limited)

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

Bharat Sonkhya
Partner
M.NO 403023

Place : Jaipur

Date : 27 MAY 2019



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 303, Rajputana Tower, A-27B, Tilak Nagar, Shanti Path, Jaipur
 Notes forming part of the financial statements

Note 2 - Property, Plant and Equipment

As at Mar 31, 2019 and March 31, 2018

(Rs In lacs)

Particulars	Office Equipment	Computer and accessories	Furniture and fixtures	Total
Cost				
As at March 31, 2017	2.36	9.75	6.96	19.07
Additions during the year	-	(2.99)	(0.40)	(3.39)
As at March 31, 2018	2.36	6.76	6.55	15.68
Additions during the year				-
Disposals/ Adjustments		(1.27)		(1.27)
As at March 31, 2019	2.36	5.49	6.55	14.40
Depreciation				
As at March 31, 2017	0.25	4.04	0.48	4.77
Charge for the year	0.25	4.56	0.67	5.48
Deletions	-	(2.47)	(0.10)	(2.57)
As at March 31, 2018	0.50	6.13	1.05	7.68
Charge for the year	0.25		0.66	0.91
Deletions		(1.18)		-1.18
As at March 31, 2019	0.75	4.94	1.72	7.41
Net block				
As at March 31, 2019	1.61	0.55	4.83	6.99
As at March 31, 2018	1.86	0.64	5.50	7.99
As at March 31, 2017	2.11	5.72	6.47	14.30



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 Notes forming part of the financial statements

Note 6 - Trade receivables

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
Unsecured, considered good	0.02	-
	0.02	-

Note 3 - Other assets

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
Unsecured, considered good		
Others (amount deposited with Government authorities)-non current	-	0.30
Total (a)	-	0.30
(b) Current		
Others (amount deposited with Government authorities)	1.04	1.04
Total (b)	1.04	1.04



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 Notes forming part of the financial statements

Note 4 - Tax Assets (Net)

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
(a) Non Current		
Advance income tax and tax deducted at source receivables	0.34	0.34
Total (a)	0.34	0.34

Note 5 - Cash and cash equivalents

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
(a) Cash and cash equivalents		
Balances with banks		
-on current accounts	0.50	0.35
Cash on hand	0.51	0.51
Total (a)	1.01	0.86



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 Notes forming part of the financial statements

Note 7 - Partner's capital

(Rs In lacs)

Particulars	As at Mar 31, 2019	As at March 31, 2018
	Amount	Amount
(a) Fixed Capital		
Gravita India Limited	0.98	0.98
Gravita Infotech Limited	1.02	1.02
(b) Current Capital		
Gravita India Limited	7.55	18.20
Gravita Infotech Limited	(0.15)	(9.82)
Total	9.40	10.39

Note 8 - Trade payables

(Rs In lacs)

Particulars	As at Mar 31, 2019	As at March 31, 2018
	Outstanding dues to Micro and Small enterprises	-
Outstanding dues to parties other than Micro and Small enterprises	0.00	0.14
	0.00	0.14

Note 9 - Other income

(Rs In lacs)

Particular	For the year ended Mar 31, 2019	For the year ended March 31, 2018
	(a) Other gains and losses	
Loss on disposal of property, plant and equipment		
Gain on disposal of property, plant and equipment (net)	-	0.19
Total	-	0.19



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 Notes forming part of the financial statements

Note 10 - Employee benefits expense

Particulars	(Rs In lacs)	
	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(i) Salaries and wages	-	-
(ii) Contribution to provident and other funds	0.04	0.01
	0.04	0.01

Note 11 - Depreciation and amortisation expense

Particulars	(Rs In lacs)	
	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) Depreciation of Property, Plant and Equipment	0.92	5.48
	0.92	5.48

Note 12 - Other expenses

Particulars	(Rs In lacs)	
	For the year ended Mar 31, 2019	For the year ended March 31, 2018
Payment to auditors	0.08	0.11
Bank charges	0.01	-
	0.09	0.11

Note 13 -Payment to Auditors

Particulars	(Rs In lacs)	
	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) For audit	0.08	0.11
(b) For other services	-	-
	0.08	0.11



Notes forming part of the financial statements

Note 14 - Tax expense

Particulars	(Rs In lacs)	
	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) Current Tax		
Short provision for tax relating to prior years	(0.14)	-
	(0.14)	-
Income tax recognised in Profit and Loss	(0.14)	-
The Income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	(1.05)	(5.40)
Income tax expense calculated at 34.608% (Previous year 34.608%)		
Others	(0.14)	-
Income tax expense recognised in statement of profit and loss	(0.14)	-

Note 15 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

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

Transactions with related parties :

Particulars	(Rs In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
FA Sale to related Party		
Gravita India Limited	0.09	0.18

Closing balances with related parties :

Particulars	As at March 31, 2019	As at March 31, 2018
Receivables / advances		
Gravita India Ltd	0.02	-
Capital Account		
Gravita India Ltd.	7.55	18.20
Gravita Infotech Ltd	(0.15)	(9.82)

See accompanying notes to the financial statements

For R Sogani & Associates

Chartered Accountants

Firm Reg No :- 018755C

Bharat Sonkhiya

Partner

M.NO 403023

In the confirmation of the facts

Gravita Infotech

Rajat Agrawal

(DIN:- 00855284)

(Managing Director of partner company Gravita India Limited and Director of Gravita Infotech Limited)

Place : Jaipur

Date : 27 MAY 2019

