



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 Recycling Infotech LLP 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 Recycling Infotech LLP as at 31st March 2019, the Statement of profit and loss and also the Cash flow statement of the LLP 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 Recycling Infotech LLP 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 LLP as at March 31st, 2019;
- b) In case of the consolidated Statement of Profit and Loss, of the profit 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.

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 LLP'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 LLP'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 Recycling Infotech LLP in accordance with the accounting principles generally accepted in India and is not Intended to give a true and fair view of financial





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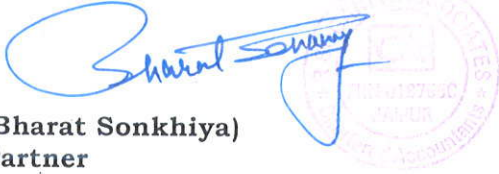
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position of Recycling Infotech LLP as on 31st March, 2019 and of its financial performance, in accordance with the accounting principles generally accepted in India. The financial information may, therefore, not be suitable for another purpose.

For R Sogani & Associates
Chartered Accountants
FRN: 018755C



(Bharat Sonkhiya)
Partner

Membership No: 403023

Place : Jaipur

Date : 27th May, 2019

Particulars	Note	As at Mar 31, 2019	As at March 31, 2018
I. ASSETS			
1 Current assets			
(b) Financial Assets			
(i) Cash and cash equivalents	2	0.37	0.93
Total Assets		0.37	0.93
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Partner's capital			
Total Equity	3	0.18	0.75
		0.18	0.75
Total Equity		0.18	0.75
2 Liabilities			
1 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	4	0.09	0.07
(b) Current tax Liabilities (net)	5	0.10	0.11
		0.19	0.18
		0.19	0.18
Total Equity and Liabilities		0.37	0.93

See accompanying notes forming part of the financial statements

1 to 9

As per our report of even date

In confirmation of the facts

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

Bharat Sonkhiya
 Partner
 M.NO 403023

Recycling Infotech LLP

Rajat Agrawal
 Rajat Agrawal
 (DIN No. 00855284)
 (Managing Director of partner company Gravita India
 Limited and Director of Gravita Infotech Limited)

Place : Jaipur

Date : 27 MAY 2019



Recycling Infotech LLP
 Registration No- AAF-2575
 403, Gravita Tower, A27-B, Shanti Path, Tilak Nagar, Jaipur
 Statement of profit and loss for the year ended Mar 31, 2019

(Rs In lacs)

Particulars	Note	For the year ended Mar 31, 2019	For the year ended March 31, 2018
I Revenue from operations	6	0.44	0.46
II Total income		0.44	0.46
III Expenses:			
(a) Other expenses	7	0.12	0.11
Total expenses (III)		0.12	0.11
IV Share of profit of associates			
V Profit before tax (II - III + IV)		0.32	0.35
VI Tax expense:			
(a) Current tax	9	0.11	0.13
Excess provision for tax relating to earlier years written back		-	0.02
(b) Deferred tax charge		-	-
		0.11	0.15
VII Profit for the year (V - VI)		0.21	0.20
VIII Total comprehensive income for the year		0.21	0.20

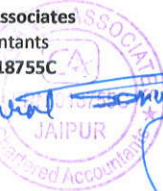
See accompanying notes forming part of the financial statements

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As per our report of even date

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

Bharat Sonkhya
 Bharat Sonkhya
 Partner
 M.NO 403023



In confirmation of the facts
 Recycling Infotech LLP

Rajat Agrawal
 Rajat Agrawal
 (DIN No. 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		0.32		0.35
		-		-
Operating profit before working capital changes		0.32		0.35
Changes in working capital:				
Trade payables	0.02		(0.08)	
Current Tax liabilities	(0.01)		-	
Long term and Short term Provisions	-		0.03	
		0.01		(0.05)
Cash generated from operations		0.33		0.30
Income taxes paid				
Net cash flow (used) / from operating activities (A)		0.33		0.30
B. Cash flow from investing activities				
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
Proceeds from equity	(0.89)		0.18	
Net cash flow from / (used in) financing activities (C)		(0.89)		0.18
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(0.56)		0.48
Cash and cash equivalents at the beginning of the year		0.93		0.45
Cash and cash equivalents at the end of the year		0.37		0.93

See accompanying notes forming part of the financial statements

As per our report of even date

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

Bharat Sonkhiya
 Partner
 M.NO 403023

Place : Jaipur

Date : 27 MAY 2019

In confirmation of the facts
 Recycling Infotech LLP

Rajat Agrawal
 (DIN No. 00855284)
 (Managing Director of partner company Gravita India Limited
 and Director of Gravita Infotech Limited)



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. Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

III. Income taxes

Provision for current taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

IV. 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

As per our report of even date

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

Bharat Sonkhiya
Partner
M.NO 403023

Place : Jaipur

Date: 7 MAY 2019

In confirmation of the facts
Recycling Infotech LLP

Rajat Agrawal
(DIN No. 00855284)

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



Note 2 - 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	0.13	0.69
-on current accounts	0.24	0.24
Cash on hand		
Total (a)	0.37	0.93

Note 3 - Partner's Capital

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
(a) Fixed Capital		
Gravita India Limited	1.02	1.02
Gravita Infotech Limited	0.98	0.98
(b) Current Capital		
Gravita India Limited	(1.79)	(1.66)
Gravita Infotech Limited	(0.03)	0.41
Total	0.18	0.75

Note 4 - Trade payables

Particulars	(Rs In lacs)	
	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	0.09	0.07
	0.09	0.07

Note 5 - Tax Liabilities (Net)

Particulars	(Rs In lacs)	
	As at Mar 31, 2019	As at March 31, 2018
Tax liabilities		
Provision for taxation	0.10	0.11
	0.10	0.11



Recycling Infotech LLP
 Registration No- AAF-2575
 403, Gravita Tower, A27-B, Shanti Path, Tilak Nagar, Jaipur
 Notes forming part of the financial statements

Note 6 - Revenue from operations

(Rs In lacs)

Particulars	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) Sale of services Technical consultancy	0.44	0.46
Revenue from operations	0.44	0.46

Note 7 - Other expenses

(Rs In lacs)

Particulars	For the year ended Mar 31, 2019	For the year ended March 31, 2018
Payment to auditors	0.11	0.10
Bank charges	0.01	0.01
Revenue from operations	0.12	0.11

Note 8 - Auditors' remuneration

Particulars	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) For audit	0.11	0.10
(b) For other services	-	-
	0.11	0.10

Note 9 - Tax Expenses

Particulars	For the year ended Mar 31, 2019	For the year ended March 31, 2018
(a) Current Tax	0.11	0.11
Current tax expense		0.02
Short provision for tax relating to prior years		
Income tax recognised in Profit and Loss	0.11	0.13
The Income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	0.97	1.09
Income tax expense calculated at 34.608% (Previous year 34.608%)	0.34	0.38
Others	(0.23)	(0.25)
Income tax expense recognised in statement of profit and loss	0.11	0.13

See accompanying notes forming part of the financial statements

As per our report of even date

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

Bharat Sonkhiya
 Partner
 M.NO 403023
 Place : Jaipur
 Date : 27 MAY 2019



In confirmation of the facts
 Recycling Infotech LLP

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 India Limited and Director of Gravita Infotech
 Limited)

