



R Sogani & Associates
Chartered Accountants

“Shree Dham”
R-20, Yudhishter Marg, ‘C’-Scheme, Jaipur - 302005
Tel: 2222734, 2220735, 2220736
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INDEPENDENT AUDITOR’S REPORT

From: R Sogani & Associates

Date: 25th June, 2020

**Subject: Report on Gravita Infotech Limited for the purpose of Fit for
Consolidation for the year ended 31st March, 2020**

To: Walker Chandiook & Co LLP

In accordance with the instructions in your e-mail dated 15th April 2020, we have audited, for purpose of your audit of the consolidated financial statements of Gravita India Limited, the accompanying balance sheet of Gravita Infotech Limited as at 31st March 2020, the Statement of profit and loss and also the Cash flow statement of the Company for the year ended 31st March 2020 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 financial statement of Gravita Infotech Limited for the year ended 31st March 2020, in all material respects, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting policies generally accepted in India, including the Indian Accounting Standards (IND AS) specified in Companies (Indian Accounting Standard) Rules, 2016 (as amended) under section 133 of the Act, as applicable:

- a) In case of the Standalone Balance Sheet, of the state of affairs of the Company as at March 31st, 2020;
- b) In case of the Standalone Statement of Profit and Loss including other comprehensive income, of the Loss for the year ended on that date.
- c) In case of the Standalone Cash Flow Statement, for the year ended on that date.
- d) In case of the standalone statement of changes in equity for the year ended on that date.
- e) Summary of Significant accounting policies and other explanatory information.



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Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. 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

The management is responsible for the preparation and presentation of this FFC Accounts in accordance with accounting policies generally accepted in India, including the Indian Accounting Standards (IND AS) specified in Companies (Indian Accounting Standard) Rules, 2016 (as amended) under section 133 of the Act, as applicable. 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 Company’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 Company’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.



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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 solely purpose of providing information to **Walker Chandiook & Co LLP** to enable it to prepare the consolidated financial statement of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified in Companies (Indian Accounting Standard) Rules, 2016 (as amended) under section 133 of the Act, as applicable.

Place: Jaipur

Date: 25th June, 2020

For R Sogani & Associates

Chartered Accountants

FRN: 018755C

**BHARAT
SONKHIYA**

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BHARAT SONKHIYA
Date: 2020.06.25
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(Bharat Sonkhiya)

Partner

Membership No.: 403023

UDIN: 20403023AAAADT2808



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INDEPENDENT AUDITOR’S REPORT

To

The Members of

GRAVITA INFOTECH LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Gravita Infotech Limited** (“the Company”), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss, and Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 March 31, 2020, and Loss, for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of



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these standalone 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 Indian Accounting Standards (IND AS) specified in Companies (Indian Accounting Standard) Rules, 2016 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for



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expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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 purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



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- 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 financial statements comply with the Indian Accounting Standards (IND AS) specified in Companies (Indian Accounting Standard) Rules, 2016 (as amended) under section 133 of the Act.
- e) None of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- 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:
- 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.

Place: Jaipur

Date: 25th June, 2020

For R Sogani & Associates
Chartered Accountants

FRN: 018755C

BHARAT
SONKHIYA

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SONKHIYA
Date: 2020.06.25
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(Bharat Sonkhiya)

Partner

UDIN: 20403023AAAAEA2623

Membership No.: 403023



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Annexure -A to the Independent Auditor's Report of even date to the members of Gravita Infotech Limited, on the financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. but there is no written verification report available in this regard with the management.
 - (c) The title deeds of all the immovable properties (which are included under the head 'Property, Plant & Equipments) are held in the name of the Company.
- ii) The Company does not have any inventory during the year. Accordingly, Paragraph 3(iv) of the order is not applicable.
- iii) The Company hasn't granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, Paragraph 3(iii) of the order is not applicable.
- iv) The company has not granted loans, investments, and guarantees under the provisions of Section 185 and 186 of the Companies Act. Accordingly, Paragraph 3(iv) of the order is not applicable.
- v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, Paragraph 3(v) of the order is not applicable.
- vi) The Company is not required to maintain cost records under Section 148 (1) of the Act. Accordingly, Paragraph 3(vi) of the order is not applicable.



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- vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, have been regularly deposited to the appropriate authorities. There is no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax, sales-tax, service tax, goods & service tax, duty of custom, duty of excise and value added tax, that have not been deposited with the appropriate authorities on account of any dispute.
- viii) The Company does not have any loans or borrowing from any Financial Institution, Banks, Government or Debenture holders during the year. Accordingly, Paragraph 3(viii) of the order is not applicable.
- ix) The Company did not raise any money by way of initial public offer, or further public offer (including debt instrument) or taken any term loan during the year.
- x) We have neither come across any instance of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the Management.
- xi) In respect of Managerial Remuneration, According to the information and explanations given to us, we report that managerial remuneration has not been paid by the Company during the year. Accordingly, Paragraph 3(xi) of the order is not applicable.
- xii) The Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the order is not applicable.
- xiii) All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act 2013.



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- xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Jaipur

Date: 25th June, 2020

For R Sogani & Associates

Chartered Accountants

FRN: 018755C

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(Bharat Sonkhiya)

Partner

UDIN: 20403023AAAAEA2623

Membership No.: 403023



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Annexure- B to the Independent Auditor's Report of even date to the members of Gravita Infotech Limited, on the financial statements for the year ended 31 March 2020

Independent Auditor Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of **Gravita Infotech Limited** ("the Company") as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal financial controls over financial reporting, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about



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whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls



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over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Jaipur

Date: 25th June, 2020

UDIN: 20403023AAAAEA2623

For R Sogani & Associates
Chartered Accountants

FRN: 018755C

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SONKHIYA SONKHIYA

A Date: 2020.06.25
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(Bharat Sonkhiya)

Partner

Membership No.: 403023

Gravita Infotech Limited

CIN: U51109RJ2001PLC016924

Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004

Balance Sheet as at March 31, 2020

(All amounts in Rs. lacs, unless otherwise stated)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
Non-current assets			
Property, plant and equipment	2	105.72	114.63
Right-of-use assets	3	0.88	-
Other intangible assets	4	0.04	0.04
Financial assets			
Investments	5	7.57	27.57
Loans	6	1.93	1.93
Income tax assets (net)	7	11.06	10.00
Total non-current assets		127.20	154.17
Current assets			
Financial assets			
Investments	5	119.91	4.85
Trade receivables	8	1.09	5.59
Cash and cash equivalents	9	6.93	11.98
Others financial assets	10	9.25	-
Other current assets	11	3.38	114.90
Total current assets		140.56	137.32
TOTAL ASSETS		267.76	291.49
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	20.00	20.00
Other equity		233.71	256.40
Total equity		253.71	276.40
Liabilities			
Non-current liabilities			
Deferred tax liabilities (net)	13	6.76	10.56
Total non-current liabilities		6.76	10.56
Current liabilities			
Financial liabilities			
Trade payables	14	2.90	1.99
Lease liabilities	15	1.75	-
Other current liabilities	16	0.37	0.64
Provisions	17	2.27	1.90
Total current liabilities		7.29	4.53
Total liabilities		14.05	15.09
TOTAL EQUITY AND LIABILITIES		267.76	291.49

Summary of Significant accounting policies

1

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

In terms of our report attached.

For R Sogani & Associates

Chartered Accountants

Firm's Registration No.: 018755C

Bharat Sonkhya

Partner

Membership No. 403023755C

Place: Jaipur

Date : June 25, 2020

For and on behalf of Board of Directors

Rajat Agrawal

Managing Director

DIN: 00855284

Place: Jaipur

Date : June 25, 2020

Dr. M. P. Agarwal

Director

DIN: 00188179

Place: Jaipur

Date : June 25, 2020



Gravita Infotech Limited

CIN: U51109RJ2001PLC016924

Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in Rs. lacs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
I Income			
Revenue from operations	18	0.38	8.22
Other income	19	11.70	12.90
Total income (I)		12.08	21.12
II Expenses			
Employee benefits expense	20	10.17	8.35
Finance costs	21	0.53	-
Depreciation and amortisation expense	22	9.89	8.70
Other expenses	23	4.74	27.00
Total expenses (II)		25.33	44.05
III Profit before exceptional items and tax (I - II)		(13.25)	(22.93)
IV Exceptional items	24	9.42	-
V Profit before exceptional items and tax (III - IV)		(22.67)	(22.93)
VI Tax expense	25		
Current tax		-	(7.19)
Deferred tax		(3.80)	-
Total tax expense		(3.80)	(7.19)
VII Profit for the year (V - VI)		(18.87)	(15.74)
VIII Other comprehensive income		-	-
IX Total comprehensive income for the year (VII + VIII)		(18.87)	(15.74)
X Earnings per share	26		
Basic		(9.44)	(7.87)
Diluted		(9.44)	(7.87)

Summary of Significant accounting policies

1

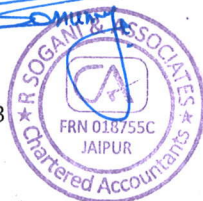
The accompanying summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

In terms of our report attached.

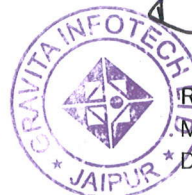
For R Sogani & Associates
Chartered Accountants
Firm's Registration No.: 018755C

Bharat Sonkhya
Partner
Membership No: 403023

Place: Jaipur
Date : June 25, 2020



For and on behalf of Board of Directors



Rajat Agrawal
Managing Director
DIN: 00855284

Place: Jaipur
Date : June 25, 2020

Dr. M. P. Agarwal
Director
DIN: 00188179

Place: Jaipur
Date : June 25, 2020

Gravita Infotech Limited

CIN: U51109RJ2001PLC016924

Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004

Cash Flow Statement for the year ended March 31, 2020

(All amounts in Rs. lacs, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Profit before tax	(22.67)	(22.93)
Adjustments for:		
Depreciation and amortisation	9.89	8.70
Loss/(Profit) on sale of fixed assets	0.20	-
Finance Cost	0.53	-
Interest income on deposits	(0.45)	(0.39)
Loss on sale of investment - exceptional items	9.42	-
Operating profit before working capital changes	19.59	8.31
Changes in working capital:	(3.08)	(14.62)
Adjustments for change in operating assets:		
Trade receivables	4.50	(5.59)
Other current financial assets	(9.25)	-
Income tax assets	(1.06)	6.55
Non-current loans	-	(0.10)
Other current assets	111.52	(96.86)
Adjustments for change in operating liabilities:		
Trade payables	0.91	(0.60)
Other current liabilities	(0.27)	0.03
Non-current and current provisions	0.37	(0.04)
Cash generated from operations	106.72	(96.61)
Income taxes paid (net of refund)	103.64	(111.23)
Net cash generated from / (used in) operating activities (A)	103.64	(111.23)
B. Cash flow from investing activities		
Proceeds from sale of fixed assets	2.32	1.45
Movement in non-current and current investments	(104.48)	113.20
Interest income	0.45	0.39
Net cash (used in) / generated from investing activities (B)	(101.71)	115.04
C. Cash flow from financing activities		
Payment of lease liabilities	(6.45)	-
Finance cost paid (including in relation to lease liabilities)	(0.53)	-
Net cash (used in) financing activities (C)	(6.98)	-
Net change in Cash and cash equivalents (A+B+C)	(5.05)	3.81
Cash and cash equivalents at the beginning of the year	11.98	8.17
Cash and cash equivalents at the end of the year	6.93	11.98

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

In terms of our report attached.

For R Sogani & Associates

Chartered Accountants

Firm's Registration No.: 018755C



Bharat Sonkhiya

Partner

Membership No: 403023

Place: Jaipur

Date : June 25, 2020



For and on behalf of Board of Directors




Rajat Agrawal

Managing Director

DIN: 00855284

Place: Jaipur

Date : June 25, 2020



Dr. M. P. Agarwal

Director

DIN: 00188179

Place: Jaipur

Date : June 25, 2020

Gravita Infotech Limited

CIN: U51109RJ2001PLC016924

Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004

Statement of changes in equity for the year ended March 31, 2020

(All amounts in Rs. lacs, unless otherwise stated)

(a) Equity share capital*

Particulars	Amount
Balance as at April 1, 2018	20.00
Changes in equity share capital	-
Balance as at March 31, 2019	20.00
Changes in equity share capital	-
Balance as at March 31, 2020	20.00

* Refer note 12 for details.

(b) Other equity

Particulars	Retained earnings	Total
Balance as at April 1, 2018	272.14	272.14
Profit for the year	(15.74)	(15.74)
Balance as at March 31, 2019	256.40	256.40
Profit for the year	(18.87)	(18.87)
Impact due to Ind AS 116	(3.82)	(3.82)
Balance as at March 31, 2020	233.71	233.71

Summary of Significant accounting policies

1

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

In terms of our report attached.

For R Sogani & Associates

Chartered Accountants

Firm's Registration No.: 018755C

Bharat Sonkhiya

Partner

Membership No: 403028

Place: Jaipur

Date : June 25, 2020

For and on behalf of Board of Directors

Rajat Agrawal

Managing Director

DIN: 00855284

Place: Jaipur

Date : June 25, 2020

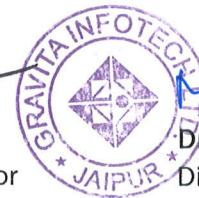
Dr. M. P. Agarwal

Director

DIN: 00188179

Place: Jaipur

Date : June 25, 2020



Gravita Infotech Limited

CIN: U51109RJ2001PLC016924

Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004

Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

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.

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
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or
Level 3 inputs are unobservable inputs for the asset or liability.

II. Revenue recognition

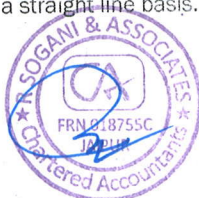
Sale of goods : - Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking 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.

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.



Gravita Infotech Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

IV. 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. Employee Benefits

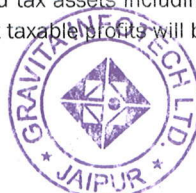
- i. The Company has various schemes of employee benefits such as provident fund, employee state insurance scheme, gratuity and Compensated Absences, which are dealt with as under:
- ii. Contributions to provident fund and employee state insurance scheme are charged to statement of profit and loss based 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.

VII. 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.



Gravita Infotech Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

VIII. 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.

IX. 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
 CIN: U51109RJ2001PLC016924
 Regd. office: 501, Rajputana Tower, A 27-B, Shanti Path, Tilak Nagar, Jaipur, Raj, PIN: 302004
 Summary of significant accounting policies and other explanatory information
 (All amounts in Rs. lacs, unless otherwise stated)

Particulars	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount							
As at April 1, 2018	97.91	0.35	9.88	0.83	21.87	21.56	152.40
Additions	-	-	-	-	(0.28)	(9.34)	(9.62)
Disposals	97.91	0.35	9.88	0.83	21.59	12.22	142.78
As at March 31, 2019	-	-	(0.48)	(0.37)	-	-	(3.41)
Additions	-	-	9.40	0.46	19.03	12.22	139.37
Disposals	97.91	0.35	-	-	-	-	-
As at March 31, 2020	-	-	-	-	-	-	-
Accumulated Depreciation							
As at April 1, 2018	3.40	0.08	1.24	0.25	6.07	16.59	27.63
Charge for the year	1.70	0.04	2.28	0.06	3.07	1.55	8.70
Deletions	-	-	-	-	(0.09)	(8.09)	(8.18)
As at March 31, 2019	5.10	0.12	3.52	0.31	9.05	10.05	28.15
Charge for the year	1.70	0.04	1.96	-	2.69	-	6.39
Deletions	-	-	(0.26)	-	(0.63)	-	(0.89)
As at March 31, 2020	6.80	0.16	5.22	0.31	11.11	10.05	33.65
Net block							
As at March 31, 2019	92.81	0.23	6.36	0.52	12.54	2.17	114.63
As at March 31, 2020	91.11	0.19	4.18	0.15	7.92	2.17	105.72



Gravita Infotech Limited

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Summary of significant accounting policies and other explanatory information

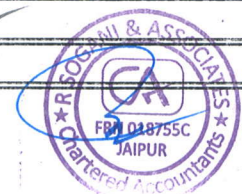
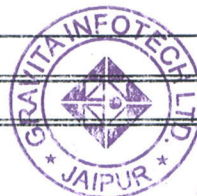
(All amounts in Rs. lacs, unless otherwise stated)

Note 3 - Right-of-use assets*

Particulars	Building	Total
Gross carrying amount		
As at March 31, 2019	-	-
Additions	4.38	4.38
Disposals	-	-
As at March 31, 2020	4.38	4.38
Accumulated depreciation		
As at March 31, 2019	-	-
Charge for the year	3.50	3.50
Disposals/ adjustments	-	-
As at March 31, 2020	3.50	3.50
Net carrying value		
As at March 31, 2019	-	-
As at March 31, 2020	0.88	0.88

Note 4 - Other Intangible assets

Particulars	Computer Software	Total
Cost		
As at March 31, 2018	0.04	0.04
Additions	-	-
Disposals	-	-
As at March 31, 2019	0.04	0.04
Additions	-	-
Disposals	-	-
As at March 31, 2020	0.04	0.04
Depreciation		
As at March 31, 2018	-	-
Charge for the year	-	-
Deletions	-	-
As at March 31, 2019	-	-
Charge for the year	-	-
Deletions	-	-
As at March 31, 2020	-	-
Net block		
As at March 31, 2019	0.04	0.04
As at March 31, 2020	0.04	0.04



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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

Note 5 - Investments

Particulars	As at March 31, 2020		As at March 31, 2019	
	Numbers	Amount	Numbers	Amount
I Non-current investments, carried at cost				
Investment in equity instruments				
Investment in subsidiaries (unquoted) (fully paid shares)				
Noble Build Estate Private Limited	10	0.04	10	0.04
Shares of face value of Rs. 10 each (previous year: Rs. 10 each)				
Total (a)		0.04		0.04
Investment in associates (unquoted)				
Pearl Landcon Private Limited		0.50		0.50
Total (b)		0.50		0.50
Investment in partnership firms (unquoted)*				
M/s Shasin Industries (Formerly known as M/s Gravita Metals)		-		20.00
M/s Gravita Metal Inc		5.00		5.00
M/s Gravita Infotech		1.02		1.02
Total (c)		6.02		26.02
Investment in government securities (unquoted)				
National saving certificate		0.03		0.03
Total (d)		0.03		0.03
Investment in limited liability partnership (LLP) (unquoted)*				
M/s Recycling Infotech LLP		0.98		0.98
Total (e)		0.98		0.98
Total non-current investments (f) = (a + b + c + d + e)		7.57		27.57
II Current investments, carried at cost				
Investment in partnership firms (unquoted)#				
M/s Shasin Industries (Formerly known as M/s Gravita Metals)		-		0.17
M/s Gravita Metal Inc		120.19		4.86
M/s Gravita Infotech		(0.19)		(0.15)
Total (g)		120.00		4.88
Investment in limited liability partnership (LLP)				
M/s Recycling Infotech LLP		(0.09)		(0.03)
Total (h)		(0.09)		(0.03)
Total current investments (i) = (g + h)		119.91		4.85
Aggregate amount of unquoted investments		127.48		32.42

As current capital account is covered by partnership deed, the closing balance in current capital account has been disclosed as current investments.



Gravita Infotech Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

* Other details relating to Investment in partnership firms and limited liability partnership:

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in M/s Shasin Industries (Formerly known as M/s Gravita Metals) (refer note 24)		
Name of the partner and share in profits (in %)		
- Gravita India Limited	-	95.00%
- Gravita Infotech Limited	-	5.00%
Total capital of the firm (in lacs)	-	400.00
Investment in M/s Gravita Metal Inc		
Name of the partner and share in profits (in %)		
- Gravita India Limited	95.00%	95.00%
- Gravita Infotech Limited	5.00%	5.00%
Total capital of the firm (in lacs)	100.00	100.00
Investment in M/s Gravita Infotech		
Name of the partner and share in profits (in %)		
- Gravita India Limited	49.00%	49.00%
- Gravita Infotech Limited	51.00%	51.00%
Total capital of the firm (in lacs)	2.00	2.00
Investment in M/s Recycling Infotech LLP		
Name of the partner and share in profits (in %)		
- Gravita India Limited	51.00%	51.00%
- Gravita Infotech Limited	49.00%	49.00%
Total capital of the firm (in lacs)	2.00	2.00

Note 6 - Loans

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Non-current		
Security deposits	1.93	1.93
Total	1.93	1.93

Note 7 - Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax and tax deducted at source receivables	11.06	10.00
Total	11.06	10.00

Note 8 - Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
Trade receivables - considered good	1.09	5.59
Trade receivables - credit impaired	-	19.91
Less: allowance for expected credit losses	-	(19.91)
Total	1.09	5.59



Gravita Infotech Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

Note 9 - Cash and cash equivalents

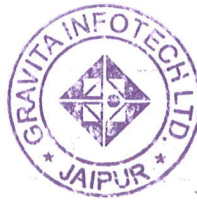
Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- in current accounts	0.56	4.41
- in deposits	6.37	5.97
Cash on hand	-	1.60
Total	6.93	11.98

Note 10 - Others financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Receivable for sale of investment (refer note 24)	9.25	-
Total	9.25	-

Note 11 - Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to related parties (refer note 30)	-	110.45
Advances to vendors	-	0.03
Advances to employees	-	0.40
Prepaid expenses	0.13	0.12
Balance with government authorities	3.25	3.90
Total	3.38	114.90



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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

Note 12 - Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Authorised 2,00,000 Equity shares of Rs. 10 each	2,00,000	20.00	2,00,000	20.00
Issued, subscribed and fully paid up 2,00,000 Equity shares of Rs. 10 each fully paid up	2,00,000	20.00	10,00,000	20.00
Total	2,00,000	20.00	10,00,000	20.00

(a) Changes in equity share capital during the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights Balance as at the beginning of the year	2,00,000	20.00	2,00,000.00	20.00
Add: shares issued	-	-	-	-
Closing at the end of the year	2,00,000	20.00	2,00,000	20.00

No shares has been issued for consideration other than cash in the current reporting year and in last five years immediately preceding the current reporting year.

(b) Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a face value of Rs. 2 per share. Each equity shareholder is entitle to one vote per share held. The Company declares and pays dividends in Indian Rupees. The final dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shareholder holding more than 5 percent shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares with voting rights Gravita India Limited	2,00,000	100.00	2,00,000	100.00

(d) During the five years immediately preceding 31 March 2020, the Company has neither allotted any bonus shares nor have any shares been bought back.

Note 13 - Deferred tax liabilities (net)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Deferred tax liability arising on account of:		
Property, plant and equipment and intangible assets	7.54	10.56
Other temporary differences	0.04	-
Gross deferred tax liabilities	7.58	10.56
Deferred tax asset arising on account of:		
Allowances for expected credit losses	0.59	-
Right-of-use assets and lease liabilities	0.23	-
Gross deferred tax assets	0.82	-
Deferred tax liabilities (net)	6.76	10.56



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Summary of significant accounting policies and other explanatory information

(All amounts in Rs. lacs, unless otherwise stated)

Note 14 - Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro and small enterprises ⁽ⁱ⁾	-	-
Total outstanding dues of creditors other than micro and small enterprises	2.90	1.99
Total	2.90	1.99

(i). On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006') at the year end are below, This has been relied upon by the auditors.

Particulars	As at March 31, 2020	As at March 31, 2019
i Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
ii Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
v The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note 15 - Lease liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Lease liabilities	1.75	-
Total	1.75	-

i. Disclosures on lease pursuant to Ind AS 116 - Leases

The Company has leases for the buildings. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases contain an option to extend the lease for a further term after mutual consent of both the parties. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset*	Number of RoU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Building	2	0.25	-	-



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ii. Adoption of Ind AS 116 'Leases'

Ind AS 116 'Leases' replaces Ind AS 17 'Leases' along with three Interpretations (Appendix A 'Operating Leases-Incentives', Appendix B 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease' and Appendix C 'Determining whether an Arrangement contains a Lease').

The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting Ind AS 116 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 10%.

The following is a reconciliation of the financial statement line items from Ind AS 17 to Ind AS 116 at 01 April 2019:

Particulars	Carrying amount at 31 March 2019	Adjustment upon transition to Ind AS 116	Ind AS 116 carrying amount at 01 April 2019
Right-of-use assets	-	4.38	4.38
Lease liabilities	-	(8.20)	(8.20)
Retained earnings	-	3.82	3.82
Total	-	-	-

Total cash outflow for leases for the year ended 31 March 2020 was Rs. 6.98 lacs

iii. The following is a reconciliation of total operating lease commitments at March 31, 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at April 01, 2019:

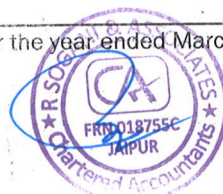
Particulars	Amount
Total operating lease commitments disclosed at March 31, 2019	4.52
Recognition exemptions:	
• Leases of low value assets	-
• Leases with remaining lease term of less than 12 months	-
Reasonably certain extension options taken	-
Leases considered cancellable under Ind AS 17	4.24
Operating lease liabilities before discounting	8.76
Discounted using incremental borrowing rate	(0.56)
Total lease liabilities recognised under Ind AS 116 at April 01, 2019	8.20

iv. Disclosures under Ind AS 17 for the year ended 31 March 2019:

Operating leases - Assets taken on lease

Particulars	As at March 31, 2019
Not later than one year	3.49
Later than one year but not more than 5 years	1.03
Later than 5 years	
Total	4.52

Total lease rent charged to the Statement of Profit and Loss for the year ended March 31, 2019 was Rs. 6.64 lacs.



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Note 16 - Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances*	0.37	0.64
Total	0.37	0.64

*Include contribution to Provident Fund and ESI, Withholding Taxes, Goods and Service Tax, Service Tax and Professional Tax.

Note 17 - Current provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	1.23	1.11
Provision for compensated absences	1.04	0.79
Total	2.27	1.90



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(All amounts in Rs. lacs, unless otherwise stated)

Note 18 - Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other operating revenues		
Export incentives	-	0.84
Share of profit from partnership firms (net)	0.38	7.38
Total	0.38	8.22

Note 19 - Other income

Particular	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income from:		
- bank deposits (at amortised cost)	0.45	0.39
Other non-operating income		
Miscellaneous income	1.08	1.21
Other gains and losses		
Gain on disposal of property, plant and equipment (net)	-	1.65
Rental Income	10.17	9.65
Total	11.70	12.90

Note 20 - Employee benefits expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	9.31	8.15
Contribution to provident and other funds	0.46	0.45
Staff welfare expenses	0.40	(0.25)
Total	10.17	8.35

Note 21 - Finance cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest costs on		
- Lease liabilities	0.53	-
Total	0.53	-



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Note 22 - Depreciation and amortisation expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment	6.39	8.70
Depreciation of Right-of-use assets	3.50	-
Total	9.89	8.70

Note 23 - Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	2.47	2.23
Rates and taxes	-	0.11
Legal and professional fees	0.16	0.54
Repairs and maintenance		
- Others	1.28	1.04
Freight and forwarding	0.21	-
Insurance	0.37	0.69
Rent	-	6.64
Payment to auditors ⁽ⁱ⁾	0.08	0.09
Allowance for expected credit loss on financial assets (including	(0.34)	7.87
Loss on sale/ discard of property, plant and equipment	0.20	-
Bank charges	0.24	0.18
Miscellaneous expenses	0.07	7.61
Total	4.74	27.00

(i) Payment to auditors

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditor		
- Audit fee	0.08	0.08
In other capacity		
- Reimbursement of out of pocket expenses	-	0.01
Total	0.08	0.09



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Note 24 - Exceptional items

The exceptional item amounting to Rs. 9.42 lacs for the year ended 31 March 2020 represents loss on sale of investment in subsidiary.

Note 25 - Tax expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
Current tax expense	-	-
Taxes relating to earlier year	-	(7.19)
		(7.19)
Deferred tax		
In respect of current year	(3.80)	-
	(3.80)	-
Income tax recognised in Profit and Loss	(3.80)	(7.19)
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:		
Profit before tax	(22.67)	(22.93)
Statutory income tax rate	34.94%	34.94%
Tax expense at statutory income tax rate	(7.92)	(8.01)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Movement in tax provision relating to prior years	-	(7.19)
Others	4.12	8.01
Income tax expense recognised in statement of profit and loss	(3.80)	(7.19)

Note 26 - Earning per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to equity shares (Rs. in lacs) (A)	(18.87)	(15.74)
Weighted-average number of equity shares for basic EPS (B)	2,00,000	2,00,000
Weighted-average number of equity shares for diluted EPS (c)	2,00,000	2,00,000
Basic earnings per share (in Rs.) (A/B)	(9.44)	(7.87)
Diluted earnings per share (in Rs.) (A/C)	(9.44)	(7.87)



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Note 27 - Contingent liabilities and commitments

(a) Contingent Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Claim against the company not acknowledged as debt	-	-
Total	-	-

(b) Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	-	-
Total	-	-

Note 28 - Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

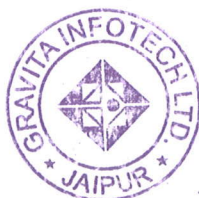
As at 31st March, 2020, the Company is not subject to any externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. The Company's management reviews the capital structure of the Company on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital. The Company also evaluates its gearing measures like Debt Equity Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Debt to EBITDA Ratio to arrive at an appropriate level of debt and accordingly evolve its capital structure.

Note 29 - Employee benefits plans

Defined Contribution Plans

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Employer's contribution to provident funds	0.40	0.38
Employer's contribution to employee state insurance	0.06	0.07



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(All amounts in Rs. lacs, unless otherwise stated)

Note 30 - Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"

i. Name of related parties and nature of related party relationship

a. Holding Company

Name	Country of incorporation	% of Holding as at March 31, 2020	% of Holding as at March 31, 2019
Gravita India Limited	India	100.00	100.00

b. Associate

Name	Country of incorporation	% of Holding as at March 31, 2020	% of Holding as at March 31, 2019
Pearl Landcon Private Limited	India	25.00	25.00

c. Partnership firms

Name	Country of incorporation	% of Holding as at March 31, 2020	% of Holding as at March 31, 2019
M/s Shasin Industries (Formerly known as M/s Gravita Metals) upto March 20, 2020	India	5.00	5.00
M/s Gravita Metal Inc	India	5.00	5.00
M/s Gravita Infotech	India	51.00	51.00

d. Limited liability partnership firm

Name of the firm	Country of incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
M/s Recycling Infotech LLP	India	49.00	49.00

Key Managerial Personnel and their relatives:

e. Key Management Personnel

Name of the director	Designation
Rajat Agrawal	Managing Director
Dr. M. P. Agarwal	Director

ii. Detail of transaction and balance outstanding with related parties

Transactions with related parties:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sales		
Holding Company		
Gravita India Limited		0.20
Rental Income		
Holding Company		
Gravita India Limited	10.17	9.65

Closing balances with related parties:

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables / advances		
Holding Company		
Gravita India Limited	0.92	115.93
Capital Account		
Gravita India Limited	233.71	275.26



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(All amounts in Rs. lacs, unless otherwise stated)

Closing balances with related parties: (continued)

Particulars	As at March 31, 2020	As at March 31, 2019
Current investment balances		
M/s Gravita Metal Inc.	120.19	4.86
M/s Shasin Industries (Formerly known as M/s Gravita Metals) upto March 20,	-	0.17
M/s Gravita Infotech	(0.19)	(0.15)
M/s Recycling Infotech LLP	(0.09)	(0.03)

Note 31 - Financial Risk Management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

Particulars	Less than 1 year	1-5 year	More than 5 years
March 31, 2020			
Lease liabilities	1.77	-	-
Trade payables	2.90	-	-
March 31, 2019			
Trade payables	1.99	-	-

In terms of our report attached.

For R Sogani & Associates

Chartered Accountants

Firm's Registration No.: Q18755C

Bharat Sonkhiya

Partner

Membership No: 403023

Place: Jaipur

Date : June 25, 2020



For and on behalf of Board of Directors

Rajat Agrawal
Managing Director
DIN: 00855284

Place: Jaipur
Date : June 25, 2020

Dr. M. P. Agarwal
Director
DIN: 00188179

Place: Jaipur
Date : June 25, 2020

