



R Sogani & Associates
Chartered Accountants

"Shree Dham"

R-20, Yudhishter Marg, 'C'-Scheme, Jaipur - 302005

Tel: 2222734, 2220735, 2220736

E-mail: rsa@soganiprofessionals.com

Website: www.soganiprofessionals.com

INDEPENDENT AUDITORS' REPORT

To

The Members of

Gravita Infotech Limited

Report on the Financial Statements

We have audited the accompanying stand alone financial statements of **Gravita Infotech Limited** ("the Company") which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

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





Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Director, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017 and its Loss and Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st march, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a Director in terms of 164(2) of the Companies Act, 2013;
 - (f) With respect to the adequate 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 A".





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- (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) Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For R Sogani & Associates
Chartered Accountants
(FRN: 018755C)

Place : Jaipur

Date : 11 0 MAY 2017



Shahin

(BHARAT SONKHIYA)
PARTNER

Membership No: 403023



**ANNEXURE REFERRED TO IN THE AUDITOR'S REPORT ON THE
ACCOUNTS OF GRAVITA INFOTECH LIMITED FOR THE YEAR ENDING 31ST
MARCH, 2017**

As required by the Companies (Auditor's report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

1 In respect of fixed assets:

- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (B) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable. No material discrepancies were noticed on such physical verification.
- (C) As informed to us, title deeds of immovable properties are held in the name of the company.

2 In respect of its inventories:

There were no inventories as on 31st march 2017 hence no physical verification was conducted.

3 In respect of loans:

According to the information and explanations given to us, the Company has not granted any loans, secured and unsecured, to companies, firms and other parties covered in the register maintained under section 189 of Companies Act, 2013.





- 4 As per information and explanations provided to us, in respect of loans, investments and guarantees, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- 5 According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any relevant provisions of the Companies Act, 2013 and the rules made there under.
- 6 In respect of cost records:

We have been explained that the maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 for the period under review for any of the products.
- 7 In respect of statutory dues:
 - (A) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues, as recorded in books of accounts, applicable to it.
 - (B) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty and Excise Duty, recorded in books of accounts, were in arrears as at the end of the financial year.





8 In respect of repayment of dues:

As per information and explanation given to us, The company has not borrowed any amount from a financial institution or bank or debenture holders. Hence, this clause is not applicable.

9 Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.

10 According to the information and explanations provided to us, we report that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

11 In respect of managerial remuneration:

The Company has not paid any managerial remuneration during the year under provision of section 197 of the Act.

12 In respect of Nidhi Company:

The Company is not a Nidhi Company. Therefore this clause is not applicable to the Company.

13 In respect of related parties:

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.

14 In respect of preferential allotment / private placement of shares:

The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.





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ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GRAVITA INFOTECH LIMITED

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

We have audited the internal financial controls over financial reporting of Gravita Infotech Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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 issued by the Institute of Chartered Accountants of India. 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 its business, including adherence to 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 Companies Act, 2013.

Auditors’ Responsibility

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 system over financial reporting.





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15 In respect of Non-cash transactions with directors:

The Company has not entered into any non-cash transactions with directors or persons connected with him.

16 The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

R. Sogani & Associates
(Chartered Accountants)
FRN: 018755C



(Bharat Sonkhiya)
Partner
M. No. 403023

Place: Jaipur

Date: 10 MAY 2017



R Sogani & Associates
Chartered Accountants

“Shree Dham”

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control 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 control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

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 control 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

In our opinion, the Company has, in all material respects, judging by the nature and quantum of transactions appearing in the financial statements, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

For R Sogani & Associates
Chartered Accountants
FRN: 018755C



(BHARAT SONKHIYA)
PARTNER

Membership No: 403023

Place : Jaipur

Date : 10 MAY 2017

GRAVITA INFOTECH LIMITED
(CIN- U51109RJ2001PLC016924)
(Formerly known as Gravita Exim Ltd.)
501, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur , Rajasthan
Balance Sheet as at 31 March, 2017

(Amount in Rs)

PARTICULARS	Note	As at 31 March, 2017	As at 31 March, 2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	2,000,000	2,000,000
Reserves & Surplus	2	30,011,683	35,782,343
		32,011,683	37,782,343
Non-Current Liabilities			
Long Term Borrowings	3	-	-
Deferred Tax Liability (net)	4	1,056,431	1,056,431
Long Term Provisions	5	99,709	243,300
		1,156,140	1,299,731
Current Liabilities			
Trade Payables	6	210,673	892,967
Other Current Liabilities	7	12,721,807	20,966,213
Short Term Provisions	8	1,286,301	3,031,928
		14,218,781	24,891,108
TOTAL		47,386,604	63,973,184
ASSETS			
Non-Current Assets			
Property, Plant & Equipment			
Tangible Assets	9	14,272,134	16,270,406
CWIP		-	-
Non-Current Investments	10	2,756,750	2,756,750
Long Term Loans and Advances	11	164,352	728,958
		17,193,236	19,756,114
Current Assets			
Current Investments	12	24,561,874	28,604,560
Inventories	13	-	2,549,956
Trade Receivables	14	3,031,610	5,056,272
Cash and Bank Balances	15	763,577	3,596,006
Short Term Loans and Advances	16	1,836,307	4,407,276
Other Current Assets	17	-	3,000
		30,193,368	44,217,070
TOTAL		47,386,604	63,973,184

Significant Accounting Policies and
Notes to Financial Statements

A
1 - 33

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


Bharat Sonkhiya
Partner
M, No:- 403023
Place: Jaipur
Date: 10 MAY 2017

For & on behalf of the Board of Directors


Rajat Agrawal
(DIN- 00855284)
(Director)




M.P. Agarwal
(DIN- 00188179)
(Director)

GRAVITA INFOTECH LIMITED
(CIN- U51109RJ2001PLC016924)
(Formerly known as Gravita Exim Ltd.)
501, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur , Rajasthan
Profit & Loss Statement for the Period ended on 31st March, 2017

(Amount in Rs)

PARTICULARS	Note	For the period ended on 31st March 2017	For the period ended on 31st March 2016
Income			
Revenue from Operations	18	4,425,010	29,236,149
Other Income	19	1,065,559	3,255,101
Total revenue (I)		5,490,569	32,491,250
EXPENSES			
Cost of Material Consumed	20	2,019,520	21,468,029
Purchase of Stock In Trade	21	-	-
Change in Inventory of Finished Goods, WIP & Stock In Trade	22	2,549,956	(2,542,106)
Employee Benefit Expenses	23	1,250,690	13,785,152
Finance costs	24	1,467,828	51,956
Depreciation and Amortisation Expense		1,951,779	1,954,613
Other Expenses	25	1,732,211	2,661,192
Total (II)		10,971,984	37,378,836
Profit Before Exceptional, Extraordinary Items & Tax (I-II)		(5,481,415)	(4,887,586)
Less: Exceptional Items		-	-
Profit Before Extraordinary Items & Tax		(5,481,415)	(4,887,586)
Add: Extraordinary Items			
Prior Period Item		-	-
Profit Before Tax		(5,481,415)	(4,887,586)
Less: Tax Expense			
Current tax expense relating to prior years		289,245	
Current Tax		-	-
Deferred Tax		-	-
Less:- MAT Credit		-	
Profit /(Loss) for the period		(5,770,660)	(4,887,586)
Prior Period Income Tax Written Back		-	-
Amount Available for Appropriation		(5,770,660)	(4,887,586)
Earning per Equity Share (Face Value ` 10 each)	26		
Basic EPS		(28.85)	(24.44)
Diluted EPS		(28.85)	(24.44)

Significant Accounting Policies
and Notes to Financial Statements
As per our report of even date

A
1 to 33

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

Bharat Sonkhiya
Partner
M, No:- 403023

Place: Jaipur

Date: 10 MAY 2017

For & on behalf of the board of Directors

Rajat Agrawal
(DIN- 00855284)
(Director)

M.P Agarwal
(DIN- 00188179)
(Director)



GRAVITA INFOTECH LIMITED
(CIN- U51109RJ2001PLC016924)
(Formerly known as Gravita Exim Ltd.)

501, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur , Rajasthan
Notes to the Financial Statements for the period ended 31st March, 2017

(Amount in Rs)

Particulars	31-Mar-17	31-Mar-16
1 Share Capital		
Authorized Share Capital		
200,000 Equity Shares of ₹ 10/- each	2,000,000	2,000,000
Issued, Subscribed & Paid up Capital		
200,000 Equity Shares of ₹ 10/- each fully Paid-up	2,000,000	2,000,000
	2,000,000	2,000,000

1.1 Reconciliation of the shares outstanding is set out below:

	No. of Shares As At 31 March, 2017	Amount As At 31 March, 2017	No. of Shares As At 31-Mar-16	Amount As At 31-Mar-16
Equity shares				
At the beginning of the Year	200,000	2,000,000	200,000	2,000,000
Issued during the year	-	-	-	-
Equity Shares at the end of the year	200,000	2,000,000	200,000	2,000,000

1.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a face value of ₹ 10 per share. Each Equity share holder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

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

	March 31, 2017		March 31, 2016	
	No. of share	% holding	No. of share	% holding
Equity Shares of ₹ 10 each fully paid-up Gravita India Limited (Holding Co.)	200,000	100%	200,000	100%

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

	March 31, 2017		March 31, 2016	
	No. of shares	% holding	No. of shares	% holding
Equity Shares of ₹ 10/- each fully Paid-up Gravita India Limited (Holding Co.)	200,000	100%	200,000	100%

2 Reserves and Surplus

Surplus/(Deficit) in the statement of Profit and Loss

	31-Mar-17	31-Mar-16
Opening Balance	35,782,343	40,669,929
Profit & (Loss) for the year	(5,770,660)	(4,887,586)
Appropriation	-	-
Total Reserves and Surplus	30,011,683	35,782,343

3 Long Term Borrowings

	Non-current portion		Current Maturities	
	March 31, 2017	March 31, 2016	31-Mar-17	31-Mar-16
Unsecured				
Loan from Gravita India Limited	-	-	-	-

4 DEFERRED TAX LIABILITY (NET)

	31-Mar-17	31-Mar-16
Particulars		
Deferred tax liability on:		
Accelerated depreciation	1,056,431	1,056,431
	1,056,431	1,056,431

5 Long Term Provision

	31-Mar-17	31-Mar-16
Provision for Gratuity	99,709	243,300
	99,709	243,300

6 Trade Payables

	31-Mar-17	31-Mar-16
Trade Payables other than Micro & small enterprises #	210,673	892,967
	210,673	892,967

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

7 Other Current Liabilities

	31-Mar-17	31-Mar-16
Advance From Customer	8,985,600	-
Payable to related Parties	3,722,769	20,309,817
Statutory remittances *	13,438	656,396
	12,721,807	20,966,213

* It includes contribution to Provident Fund & ESIC, Withholding taxes, Work contract tax, Sales Tax, Service Tax & professional tax.



8 Short Term Provisions

Provisions for Employee Benefits Plan
 Leave Encashment
 Provision for Income Tax related to earlier year (net of advance tax)

	31-Mar-17	31-Mar-16
	66,908	195,350
	1,219,393	2,836,578
	<u>1,286,301</u>	<u>3,031,928</u>

10 Non Current Investments

Long term
 (At cost as reduced by diminution in value)

10.1 Investment in equity investments (unquoted)

10.1.2 Non-trade investment in Associates

Pearl Landcorn Pvt. Ltd.
 5,000 (5,000) Equity Share of ₹ 10 each fully paid up

50,000 50,000

10.1.4 Non-trade Investments in Equity Instruments (unquoted)

Noble buildestate Pvt Ltd
 10 (10) Equity Share of Rs.10 each fully paid up

3,750 3,750

10.2 Trade investment in Partnership Firms (unquoted)

Gravita Metals

2,000,000 2,000,000

Gravita Metal Inc

500,000 500,000

Gravita Infotech (Formerly know as Gravita Technomech)

102,000 102,000

Recycling Infotech LLP

98,000 98,000.00

10.3 Other Investments (unquoted)

NSC (Pledge with Sales Tax Department)

3,000 3,000

2,756,750 2,756,750

Details of Investments in Partnership Firm
 Investment in Gravita Metals (Formerly known as K.M. Udyog)

Name of the Partner and Share in Profits (%)

Gravita Exim Ltd

31-Mar-17 31-Mar-16

Gravita India Ltd

5 5

95 95

Total Fixed Capital of Firms

40,000,000 40,000,000

Investment in Gravita Metal Inc

Name of the Partner and Share in Profits (%)

Gravita India Ltd

31-Mar-17 31-Mar-16

Gravita Exim Ltd

95 95

5 5

Total Fixed Capital of Firms

10,000,000 10,000,000

11 Long Term Loans & Advances

11.1 Security Deposit

Unsecured and Considered Good

164,352 460,352

Total

164,352 460,352

11.2 Others

Unsecured and Considered Good

- 268,606

Total

- 268,606

Total

164,352 728,958

12. Current Investments

12.1 Trade investment in Partnership Firms (unquoted)

Recycling Infotech LLP

30,501 (2,455)

Gravita Metals

23,425,584 23,538,577

Gravita Metal Inc

1,811,817 4,036,577

Gravita Infotech (Formerly know as Gravita Technomech)

(706,028) 1,031,861

24,561,874 28,604,560



GRAVITA INFOTECH LIMITED
(CIN- U51109RJ2001PLC016924)
(Formerly known as Gravita Exim Ltd.)
501, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur , Rajasthan
Cash Flow Statement for the Period ended on 31st March, 2017

(Amount in `)

Particulars	As on 31 March, 2017	As on 31 March, 2016
(A) NET CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after tax	(5,770,660)	(4,887,586)
Appropriation of Profits	-	-
Income Tax	289,245	-
Deffered Tax	-	-
Short Term Provision	-	-
Long Term Provision	-	-
Depreciation of current year	1,951,779	1,954,613
Interest Paid	1,467,828	51,956
Sundry Balances written off	-	-
Interest Received	(63,453)	(105,543)
Income from Partnership Firms	(976,381)	(2,921,085)
Income from investment	-	-
Loss on Sale of Fixed Assets	12,201	(210,340)
Net gain on Sale of current investments	-	(994,420)
Cash Flow from operating activites before working capital changes		
Increase/ (Decrease) in inventories	2,549,956	(2,542,106)
Increase /(Decrease) in debtors	2,024,662	(5,036,994)
Increase /(Decrease) in long term loans and advances	564,606	879,198
Increase /(Decrease) in Short loan & advances	2,570,969	(3,895,896)
Decrease in Other Current Liabilities	(8,244,406)	20,927,649
Increase /(Decrease) in Trade Payables	(682,294)	308,596
increase /(Decrease) in other current assets	3,000	(3,000)
increase /(Decrease) in Long term Provisions	(143,591)	166,373
increase /(Decrease) in Short term Provisions	(2,034,872)	6,152
Cash Flow from operating activities after tax and extraordinary item		
Income Tax Paid	-	-
Loss on sales of Assets	-	-
Net Cash Flow From Operating Activites	(6,481,411)	3,697,566
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(74,663)
Interest Received	63,453	105,543
Investment in -		
Partnership Firms	4,042,686	(6,064,356)
Others	-	-
Gain on Sales of Investment	-	994,420
Disinvestment	-	-
Dividend Income	-	-
Proceed from Fixed Assets	34,290	300,000
Income from Partnership Firms	976,381	2,921,085
Net Cash Flow From Investing Activities	5,116,810	(1,817,971)
(C) NET CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Borrowings	-	-
Interest Paid	(1,467,828)	(51,956)
Bank Commission /Charges Paid	-	-
Net cash flow from Finanicng Activities	(1,467,828)	(51,956)
Increase in cash and cash equivalent Total (A+B+C)	(2,832,429)	1,827,640
Add: Opening cash	3,596,007	1,768,367
Closing cash	763,577	3,596,007

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: 10 MAY 2017

For & on behalf of the board of Directors

Rajat Agrawal (DIN- 00855284) (Director)
M.P. Agarwal (DIN- 00188179) (Director)



	31-Mar-17	31-Mar-16
13 Inventories (At Lower of cost and Net Realisable Value) Stock in Trade Raw Material And Components		2,549,956
		2,549,956
14 TRADE RECEIVABLES Outstanding for a period exceeding six months from the date they are due for payment		
14.1 Unsecured and Considered Good	5,023,021	7,047,683
Less: Provision for doubtful debtors	1,991,411	1,991,411
Total (A)	3,031,610	5,056,272
Other receivables		
14.2 Unsecured and Considered Good		
Total (B)		
Total (A + B)	3,031,610	5,056,272
15 CASH AND CASH EQUIVALENT		
Balances with Banks:		
On Current Accounts	130,603	462,937
On Deposits	527,826	1,697,460
Cash on hand	105,148	11,791
Cheques on hand/Remittances in transit		1,423,818
	763,577	3,596,006
	31-Mar-17	31-Mar-16
16 Short Term Loans & Advances (Unsecured and considered good)		
16.1 Security deposit Unsecured and Considered Good		
Total (A)		
16.1 Advance Receivables from Related Parties Unsecured and Considered Good		
Total (A)		
16.2 Advances recoverable in cash or in kind Unsecured and Considered Good	103,118	12,171,890
Less: Provision for doubtful advances		7,788,378
Total (B)	103,118	4,383,512
16.4 Inter corporate deposits Unsecured and Considered Good		
Total (C)		
16.3 Other loans and advances		
Prepaid Expenses	22,507	17,736
Loan & Advance to employees including Imprest*	5,336	(909)
Balances with Statutory/Government Authorities	1,705,346	6,937
Total (C)	1,733,189	23,764
Total (A+ B + C)	1,836,307	4,407,276
17 OTHER CURRENT ASSETS Accrued Interest		3,000
		3,000
18 REVENUE FROM OPERATIONS		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Sale of Products	3,404,057	18,615,124
Sale of Services	44,572	7,699,940
Other operating revenue		
Export Incentive		
Income from Partnership Firms	976,381	2,921,085
Revenue from operations	4,425,010	29,236,149
19 OTHER INCOME		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Income on		
Bank deposits	63,453	105,543
Customer & others		814,072
Foreign Exchange Gain/(Loss)		184,212
Income from Sales of Fixed Asset	682	210,340
Income on Sale of Investment		994,420
Rent Income	940,000	871,800
Over Rights Commission Receivable	8,964	22,841
Income from Commission /Brokerage	892	1,350
Income from FMS license		50,523
Misc income (Scrap Sale)	51,568	
	1,065,559	3,255,101



	For the year ended 31st March, 2017	For the year ended 31st March, 2016
20 Cost of Raw Material and Consumables Consumed		
Opening Stock	-	-
Add: Purchases	2,019,520	21,468,029
Add: Direct Expenses	-	-
Less: Closing stock of Materials	-	-
	<u>2,019,520</u>	<u>21,468,029</u>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
21 Item wise Details of Purchase of Stock in Trade Trading of turnkey products and parts	-	-
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
22 Change in Stock in Trade During the Year		
Opening Stock	2,549,956	7,850
Less: Closing stock	-	2,549,956
	<u>2,549,956</u>	<u>(2,542,106)</u>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
23 Employee Benefits Expenses		
Salaries, wages, bonus etc.	1,183,778	13,099,845
Contribution to Provident and Other Fund	46,341	547,674
Staff Welfare Expenses	20,571	137,633
	<u>1,250,690</u>	<u>13,785,152</u>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
24 Finance Costs		
Interest Charges	-	-
- Borrowings	-	-
- Others *	-	-
	<u>1,467,828</u>	<u>51,956</u>
	<u>1,467,828</u>	<u>51,956</u>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
25 Others Expenses		
Power and fuel	134,510	155,945
Rent	878,321	1,663,060
Repairs and Maintenance		
Vehicles	217,940	249,171
Buildings	20,000	3,000
Equipments & Others	-	19,454
Insurance Expenses	56,044	54,881
Freight and Forwarding Charges(net)	3,893	27,835
Travelling and Conveyance Expenses	15,333	79,773
Legal and Professional Fees	3,504	16,946
Communication Expenses	7,291	47,255
Printing and Stationery Expenses	-	13,188
Payment to auditor:		
Statutory & Tax Audit	10,526	5,000
Website Expenses	1,389	306,692
Sales commission	32,560	144,698
Office Expenses	-	1,404
Misc Balances Written Off	9,260.00	13
Round Off / on	41	(47)
Rates and Taxes	39,016	4,069
Loss on Sale of Fixed Assets (net)/Discard	12,883	-
Miscellaneous	8,250	(131,185)
Foreign Exchange Gain Loss	281,450	-
	<u>1,732,211</u>	<u>2,661,192</u>
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
26 Earnings Per Share (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(5,770,660)	(4,887,586)
ii) Weighted Average number of equity Shares used as denominator for calculating EPS	200,000	200,000
iii) Basic and Diluted Earnings per share	(29)	(24)
iv) Face Value per equity Share	10	10
27 Leases		
Total of future minimum lease payments under operating lease for each of the following period are as under	31-Mar-17	31-Mar-16
A) Not Later than one Year	632,811	1,727,533
B) Later than one year and not later than 5 years	1,506,438	7,289,963
C) Later than 5 years	-	836,443
	<u>2,199,299</u>	<u>9,853,960</u>

Operating Lease payments recognized in Statements of Profit & Loss amounting to Rs. 878,321/- (Previous Year- Rs.16,63,060/-)



The Company has taken certain assets on Operating Lease agreement with:

A. Mr. B.S. Tambi

Major Terms of the agreement as under:

- i. Monthly Lease Rent 25461.00/-
- ii. Tenure of the lease: Lease agreement valid till dated 14th July, 2020 extendable on mutual consent
- iii. Flat No. 201, Rajputana Tower, A-27 B, Shanti Path,
Tilak Nagar, Jaipur

B. Dr. Shyam Sharan Tambi

Major Terms of the agreement as under:

- i. Monthly Lease Rent 25461.00/-
- ii. Tenure of the lease: Lease agreement valid till dated 14 July, 2020 extendable on mutual consent
- iii. Flat No. 301, Rajputana Tower, A-27 B, Shanti Path,
Tilak Nagar, Jaipur

28 Segment Reporting

The company is a one-segment company, offers turnkey solution for Lead acid battery recycling processes & plant. Hence, no further disclosures are required under AS-17, other than those already provided in the financial statements.

29 Related Party Disclosure

a. Holding Company

Gravita India Limited

b. Subsidiary Companies

Nil

c. Associate Companies

Pearl Landcon Pvt Limited

d. Key Management Personnel

Shri Rajat Agrawal
Shri Dinesh Kumar Govil
Shri V. S Tanwar
Dr. M.P. Agarwal
Shri Yogesh Mohan Kharbanda

e. Fellow Subsidiaries

Noble Build Estate Private Limited

h. Partnership firms

M/s Gravita Metals (Formerly known as M/s KM Udyog)
M/s Gravita Metal Inc (Formerly known as M/s Metal Inc)
M/s Gravita Infotech (Formerly known as M/s Gravita Technomech)
Recycling Infotech LLP

i. Other Enterprises having same Key Management Personnel and/or their relatives as the reporting enterprise:

Gravita Ghana Limited
Gravita Senegal S.A.U
Gravita Global Pte Ltd
Gravita Netherlands BV
Navam Lanka Ltd.
Devonic Ventures Pvt. Ltd.
Saurabh Farms Limited
Shah Buildcon Pvt. Limited
Jalousies India Pvt. Limited
Surana Professional Services Pvt Limited
R.Surana & Company
Surana Associates
Gravita Nicaragua S.A
Pearl Landcon Private Limited
Gravita USA INC
Gravita Ventuers Ltd.
Gravita Jamaica



k. Sale/purchase of goods and services	Sale of Goods	Purchase of Goods	Amount Owed	
			by related parties	to related parties
Holding Company Gravita India Limited	296,175 (63,604)	-	-	3,122,769 (20,309,817)
Other Gravita Senegal SAU	-	-	-	-
Gravita Ghana Limited	-	-	-	-

l. Loans taken and repayment thereof	Loan Taken	Repayment	Interest Accrued	
			Amount Owed to	
Holding Company Gravita India Limited	-	-	-	-

m. Remuneration to Key Managerial Personnel/Relative of Key Managerial Personnel	31-Mar-17		31-Mar-16	
	Mr. Vijendra Singh Tanwar	-	-	-
Salary, Bonus and Contribution to PF	-	-	-	-
Total	-	-	-	-

n. Other Transaction with Related Parties/Key Managerial Personnel/Relative of Key Managerial Personnel	31-Mar-17		31-Mar-16	
	Gravita Infotech (Investment Closing Balance)	-	102,000	-
Gravita Mozambique (disinvestment Made)	-	-	-	(429,398)
Saurabh Farms Limited (Rent Paid including Electricity)	-	-	-	34,200
Noble Build Estate Private Limited (Investment Closing Balance)	-	3,750	-	3,750
Gravita India Limited (Rent Income)	-	940,000	-	840,000
Gravita Metal (Rent Income)	-	-	-	28,800
Recycling Infotech (investment Made)	-	98,000	-	98,000
Mr. Dinesh Kumar Govil (Sale of Laptop)	-	-	-	30,000

30 Contingent Liabilities	31-Mar-17	31-Mar-16
Nil	-	-

31 Loans and advances in the nature of advances given to/(from) subsidiaries and associates and firms/companies in which directors are interested

Particulars	March 31, 2017		March 31, 2016	
	Closing Balance	Maximum o/s	Closing Balance	Maximum o/s
Gravita Mozambique LDA	-	-	-	-
Gravita Metals	-	-	-	28,800
Gravita Metal Inc	-	-	-	-
Gravita Nicaragua SA	-	-	-	53,790
Gravita Trinidad & Tobago	-	-	-	-
Gravita Infotech (foremerly known as Gravita)	-	201,529	-	1,619,552
Gravita Ghana Limited	-	-	-	-
Gravita Senegal	-	-	-	6,689
Navam Lanka Limited	-	-	-	-

Amount due from Holding/Subsidiaries Companies as Particulars	March 31, 2017		March 31, 2016	
	Closing Balance	Maximum Outstanding	Closing Balance	Maximum Outstanding
Gravita India Limited	3,722,768	8,380,984	20,309,817	27,043,995

32 The previous year figures have been shown in bracket and regrouped/reclassified, wherever necessary to conform to the current year presentation

33 Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016:-

Particulars	SBN	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	437,500	1,685	439,185
Add:- Permitted Receipts	-	112,001	112,001
Less:- Permitted Payments	-	18,841	18,841
Less:- Amount deposited in Banks	437,500	-	437,500
Closing Cash in hand as on 30.12.2016	-	94,845	94,845

As per our report of even date
For R Sogani & Associates
Chartered Accountants
Firm Reg. No.: 018755C

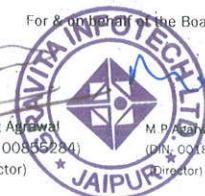
Bharat Sonkhiya
Partner
M. No - 403023
Place Jaipur
Date

10 MAY 2017

For & on behalf of the Board of Directors

Rajat Agarwal
(DIN- 00855284)
(Director)

M.P. Agarwal
(DIN- 00188179)
(Director)



GRAVITA INFOTECH LIMITED
(CIN- U51109RJ2001PLC016924)
(Formerly known as Gravita Exim Ltd.)

50-1, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur, Rajasthan
NOTES TO THE FINANCIAL STATEMENTS

Note- 9

FA Group	Opening Gross Block (As on 1.04.16)	Additions during the period	Sale/ Adjustments	Closing Gross Block (As on 31.03.2017)	Opening Accumulated depreciation	Dep During the period	Depreciation on adjustment	Total Depreciation	Closing Net Block (As on 31.03.16)	Closing Net Block (As on 31.03.2017)
Buildings	10,773,357	-	-	10,773,357	982,270	169,709	-	1,151,979	9,791,087	9,621,378
Computer	1,453,835	-	244,300	1,209,635	1,324,604	26,384	232,085	1,118,903	129,231	90,632
Electronic Equipments	3,718,786	-	13,350	3,705,436	1,986,237	408,653	12,683	2,382,207	1,732,549	1,323,229
Furniture & Fixture	4,327,400	-	49,865	4,277,635	1,905,098	354,138	16,254	2,242,982	2,422,302	2,034,553
Intangible Assets	287,367	-	-	287,367	283,114	-	-	283,114	4,253	4,253
Plant & Machinery	56,295	-	-	56,295	21,276	4,025	-	25,901	35,019	30,994
Vehicles	6,823,010	-	-	6,823,010	4,667,045	988,870	-	5,655,915	2,155,965	1,167,095
Total (A)	27,440,050	-	307,515	27,132,635	11,169,644	1,951,779	261,022	12,860,401	16,270,406	14,272,134



(CIN- U51109RJ2001PLCO16924)

(Formerly known as Gravita Exim Ltd.)

501, Rajputana Tower, A-27B, Shanti Path, Tilak Nagar Jaipur, Rajasthan

A. Significant Accounting Policies

I. Basis Of Preparation Of Financial Statement

a) Basis Of Accounting

The Financial Statements Of The Company Have been Prepared In Accordance With Generally Accepted Accounting Principals In India ('Indian GAAP') To Comply With the Accounting Standards Notified under the Companies (Accounting Standards) Rules, 2006 (as amended) And relevant provision of the Companies act, 2013. The Financial Statements of the Enterprise Have been prepared by applying principals of going concern. The Company follows on accrual basis under the historical cost convention. Accounting policies unless specifically mentioned or referred otherwise are consistent & in accordance with the Accounting Standards.

b) Use Of Estimates

The preparation of Financial statement are in conformity with Indian generally accepted accounting principles (GAAP) 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. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ due to those estimates and the difference between the actual results and the estimates are recognized in the periods in which the result are known/materialize.

II. Valuation of Inventory

Inventories are valued at the lower of cost (moving weighted average) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost include all charges in bringing the goods to the point of sale and other levies, transit insurance and receiving charges. Work In progress and finished goods include appropriate proportion of overheads.

III. Cash Flow Statement

The Cash flow statement has been Prepared under The 'indirect Method' as Set Out in Accounting Standard 3 on cash flow statement.

IV. Property, Plant & Equipment

Property, Plant & Equipment Are Carried at cost less Accumulated depreciation and impairment losses, if any. The cost of fixed asset includes all incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance. All Other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and Cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or Losses arising from de-recognition of fixed assets are measured as the difference between net disposal proceeds and the carrying amount of asset and Are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation is charged using straight - line method based on the rates specified in accordance with the provision of Schedule II of the Companies Act, 2013. Depreciation is charged On Pro-Rata Basis for assets Purchased / Sold during the year. Intangible assets comprising of computer software which has been written off over the period of license. Individual assets costing less than rs. 5,000 /- Have been fully depreciated in the year of purchase on pro rata basis.

V. Intangible Fixed Assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, If Any.

VI. Revenue Recognition

Sale and operating income includes sale of products, services, and export incentives etc. sales are recognized, Net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. The company collects Sales Tax and VAT on behalf of Government and therefore, these are not economics benefits flowing to the Company. Hence, these are Excluded from the revenue. Profit from partnership Firms Which are in the same line of operations is considered as operating Income.

Other Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. Rent Income is booked as per terms of contracts.

VII. Foreign Currency Transactions

Foreign currency transactions are recorded at the rates of exchange provided by RBI prevailing on the date of the transactions. Monetary items denominated in foreign currencies at the yearend are restated at year end rates declared by RBI. Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rates at the day of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange Differences arising on the settlement of monetary items or on restatement of the company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

VIII. Investment

Current Investments are carried individually, at the lower of cost and quoted/fair value. Cost of investment includes acquisition charges such as brokerage, fees and duties. Long term Investment are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.



Short-term employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered. Post employment and other long term employee benefits are recognized as an expenses in the statement of profit and loss for the year in which the employee has rendered services.

X. Borrowing Cost

Borrowing Costs include interest, fees and other charges incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. A Qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to profit and loss account.

XI. Earning Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with accounting standard - 20 on earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity share outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effect of all dilutive potential equity shares, except where the results are anti-dilutive.

XII. Taxes

Current year's tax amount of tax payable on the taxable income for the year is determined in accordance with the provisions of the income Tax Act, 1961. Deferred tax is recognized on timing difference, being the differences between the taxable income and the accounting income that originate in one period and are capable for reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient Future taxable income will be available against which these can be realized. However, if there is unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable Right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

XII. Impairments of Assets

An Asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its amount is reduced to the recoverable amount and the reduction if any is recognized as an impairment loss in the profit and loss amount.

XIV. Provisions and contingencies

A Provision is recognized when the company has a present obligation as a result of past event and it is Probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (Excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate require to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

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


Bharat Sonkhiya
Partner

M, No:- 403023
Place: Jaipur

Date: 10 MAY 2017

For & on behalf of the Board of Directors


Rajat Agrawal
(DIN- 00855284)
(Director)




M.P Agarwal
(DIN- 00188179)
(Director)