



**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 AUDITOR'S REPORT**

**From: R Sogani & Associates**

**Date: 18<sup>TH</sup> MAY, 2021**

**Subject: Report on Recycling Infotech LLP for the purpose of Fit  
for Consolidation for the year ended 31<sup>st</sup> March, 2021**

**To: Walker Chandiook & Co LLP**

In accordance with the instructions in your e-mail dated 23<sup>rd</sup> April 2021, we have audited, for purpose of your audit of the consolidated financial statements of Gravita India Limited, the accompanying balance sheet of Recycling Infotech LLP as at 31<sup>st</sup> March 2021, the Statement of profit and loss (including Other Comprehensive Income) the Cash flow statement, and the Statement of Changes in Equity of the LLP for the year ended 31<sup>st</sup> March 2021 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 Recycling Infotech LLP for the year ended 31<sup>st</sup> March 2021, in all material respects, give the information required 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 LLP as at March 31<sup>st</sup>, 2021;
- b) In case of the Standalone Statement of Profit and Loss including other comprehensive income, or 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 LLP's preparation and presentation of the FFC Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the FFC Accounts.



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Website: www.soganiprofessionals.com

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 Chandiok & 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: 18<sup>th</sup> May, 2021

**UDIN:21403023AAABCV8215**

**For R Sogani & Associates**  
**Chartered Accountants**  
**FRN: 018755C**

**BHARAT**  
**SONKHIYA**

**(Bharat Sonkhiya)**  
**Partner**

**Membership No.: 403023**

Digitally signed by BHARAT SONKHIYA  
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2.5.4.20=13b467973423306b0476804dffa100eeb176cd0921  
31bc011b816c1e5a69e9e; postalCode=302004, st=RAJASTHAN,  
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a2f088d2d6272efc8c0532c6, cn=BHARAT SONKHIYA, l=JAIPUR,  
pseudonym=71a5580c4c3b4e7f8eeec02dccc4ba2df  
Date: 2021.05.18 19:11:04 +0530'

Recycling Infotech LLP

LLPIN: AAF-2575

Regs. Office: 403, Rajputana Tower, A-27B, Shanti Path Tilak Nagar, Jaipur-302004. Rajasthan

Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
Current assets			
Financial assets			
Cash and cash equivalents	2	0.45	0.36
<b>TOTAL ASSETS</b>		<b>0.45</b>	<b>0.36</b>
<b>II. EQUITY AND LIABILITIES</b>			
Partner's capital	3	0.37	0.28
<b>Total equity</b>		<b>0.37</b>	<b>0.28</b>
<b>Liabilities</b>			
Current liabilities			
Financial liabilities			
Trade payables	4	-	-
Total outstanding due of micro and small enterprises		-	-
Total outstanding due of creditors other than micro and small enterprises		0.08	0.08
Current tax liabilities (net)		-	-
<b>Total current liabilities</b>		<b>0.08</b>	<b>0.08</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>0.45</b>	<b>0.36</b>

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 :

In confirmation of the facts  
For Recycling Infotech LLP

Rajat Agrawal  
DIN: 00855284

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

Place: Jaipur  
Date :

18 MAY 2021

Recycling Infotech LLP

LLPIN: AAF-2575

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Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>I Income</b>			
Revenue from operations		-	-
<b>Total income (I)</b>		-	-
<b>II Expenses</b>			
Other expenses	5	0.10	0.09
<b>Total expenses (II)</b>		<b>0.10</b>	<b>0.09</b>
<b>III Profit before tax (I + II)</b>		(0.10)	(0.09)
<b>IV Tax expense</b>			
Current tax	6	-	0.02
<b>V Profit for the year (III - IV)</b>		<b>(0.10)</b>	<b>(0.11)</b>
<b>VI Other comprehensive income</b>		-	-
<b>VII Total comprehensive income for the year (V + VI)</b>		<b>(0.10)</b>	<b>(0.11)</b>

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



In confirmation of the facts

For Recycling Infotech LLP

Rajat Agrawal

DIN: 00855284

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

Place: Jaipur

Date :

18 MAY 2021

Place: Jaipur

Date

18 MAY 2021

Recycling Infotech LLP

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Cash Flow Statement for the year ended March 31, 2021.

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	(0.10)	(0.09)
Changes in working capital:		
Adjustments for change in operating liabilities:		
Trade payables	-	(0.01)
<b>Cash generated from operations</b>	<b>(0.10)</b>	<b>(0.10)</b>
Income taxes paid	-	(0.10)
<b>Cash (used in) operating activities (A)</b>	<b>(0.10)</b>	<b>(0.20)</b>
<b>B. Cash flow from investing activities</b>	-	-
<b>C. Cash flow from financing activities</b>		
Movement in partner's capital	0.19	0.19
<b>Cash generated from financing activities (C)</b>	<b>0.19</b>	<b>0.19</b>
<b>Increase/ (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>0.09</b>	<b>(0.01)</b>
Cash and cash equivalents at the beginning of the year	0.36	0.37
<b>Cash and cash equivalents at the end of the year</b>	<b>0.45</b>	<b>0.36</b>

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash flow'.

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



In confirmation of the facts

For Recycling Infotech LLP

Rajat Agrawal

DIN: 00855284

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



Place: Jaipur

Date : 8 MAY 2021

Place: Jaipur

8 MAY 2021

Recycling Infotech LLP

LLPIN: AAF-2575

Regs. Office: 403, Rajputana Tower, A-27B, Shanti Path Tilak Nagar, Jaipur-302004. Rajasthan

Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2021

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

**Note 1 - Corporate Information, statement of compliance with Ind AS, basis of preparation and Summary of the significant accounting policies**

**A. Corporate Information**

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

**B. Statement of compliance with Ind AS and basis of preparation**

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") read with the Companies (Indian Accounting Standards) Rules, 2015, relevant amendment rules issued there after and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual basis under the historical cost basis and generally as per requirement of Indian Partnership Act 1932.

These financial statements for the year ended March 31, 2021 are approved and adopted by the Management in their meeting held on May 18, 2021.

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

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

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** inputs are unobservable inputs for the asset or liability.

**C. Significant accounting policies**

**I. Current versus non-current classification**

The Firm presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



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Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2021

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

## II. Property, Plant and Equipment

### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition or construction. Following initial recognition, property plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method computed on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### *De-recognition*

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## III. 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 of depreciable/ amortisable assets:** Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

(ii) **Deferred tax assets:** The Firm 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.

(iii) **Provisions:** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Firm assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.



A handwritten signature in blue ink, consisting of a stylized 'A' followed by a loop.



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Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2021

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

#### IV. Taxes

##### *Income taxes*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### *Deferred tax*

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Firm's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

#### V. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

#### VI. Operating Cycle

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

#### VII. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.



Recycling Infotech LLP

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Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2021

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

**Note 2 - Cash and cash equivalents**

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Balances with banks		
- in current accounts	0.45	0.36
<b>Total</b>	<b>0.45</b>	<b>0.36</b>

**Note 3 - Equity share capital**

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed Capital		
Gravita India Limited	1.02	1.02
Gravita Infotech Limited	0.98	0.98
Current Capital		
Gravita India Limited	(1.59)	(1.64)
Gravita Infotech Limited	(0.04)	(0.08)
<b>Total</b>	<b>0.37</b>	<b>0.28</b>

**Note 4 - Trade payables**

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to Micro and Small enterprises	-	-
Outstanding dues to parties other than Micro and Small enterprises	0.08	0.08
<b>Total</b>	<b>0.08</b>	<b>0.08</b>

(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 Firm, 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, 2021	As at March 31, 2020
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 5 - Other expenses**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Payment to auditors <sup>(i)</sup>	0.08	0.08
Bank charges	0.02	0.01
<b>Total</b>	<b>0.10</b>	<b>0.09</b>



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Summary of the significant accounting policies and other explanatory information

For the year ended March 31, 2021

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

(i) Payment to auditors

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor		
Audit fee	0.08	0.08
Total	0.08	0.08

Note 6 - Tax expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax		
In relation to current year	-	-
In relation to earlier years	-	0.02
Total	-	0.02

Note 7 - The figures of the previous year have been regrouped/ reclassified to make them comparable with those of current year, wherever considered necessary.

In terms of our report attached.

For R Sogani & Associates

Chartered Accountants

Firm's Registration No.: 018755C

Bharat Sonkhiya

Partner

Membership No: 403023



In confirmation of the facts

For Recycling Infotech LLP

Rajat Agrawal

DIN: 00855284

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

Place: Jaipur

Date :

18 MAY 2021

Place: Jaipur

Date

18 MAY 2021