



**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, 2022**

**Subject: Report on Gravita Metal Inc. for the purpose of Fit for Consolidation for the year ended 31<sup>st</sup> March 2022**

**To: Walker Chandiok & Co LLP**

In accordance with the instructions in your e-mail dated 26th April 2022, we have audited, for purpose of your audit of the consolidated financial statements of Gravita India Limited, the accompanying balance sheet of Gravita Metal Inc. as at 31st March 2022, the Statement of profit and loss (including Other Comprehensive Income) of the Firm for the year ended 31st March 2022 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 Metal Inc. for the year ended 31st March 2022, 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) as applicable

- (a) In case of the Balance Sheet, of the state of affairs of the Firm as at March 31st, 2022;
- (b) In case of the Statement of Profit and Loss including other comprehensive income, or the Loss for the year ended on that date.
- (c) Summary of Significant accounting policies and other explanatory information.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. 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 Firm in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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





**R Sogani & Associates**  
Chartered Accountants

"Shree Dham"

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

Tel: 2222734, 2220735, 2220736

E-mail: [rsa@soganiprofessionals.com](mailto:rsa@soganiprofessionals.com)

Website: [www.soganiprofessionals.com](http://www.soganiprofessionals.com)

obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibility 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), 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 for the Audit of the Financial Statements**

Our responsibility is to express an opinion on this FFC Accounts based on our audit.

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

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

### **Restriction to the use and Distribution**

These FFC accounts have been prepared for the sole 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), as applicable.







**R Sogani & Associates**  
Chartered Accountants

“Shree Dham”

R-20, YudhishterMarg, 'C'-Scheme, Jaipur - 302005

Tel: 2222734, 2220735, 2220736

E-mail: [rsa@soganiprofessionals.com](mailto:rsa@soganiprofessionals.com)

Website: [www.soganiprofessionals.com](http://www.soganiprofessionals.com)

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: 18-05-2022**

**UDIN: 22403023AJGJJN5781**

**For R Sogani & Associates**

**Chartered Accountants**

**FRN : 018755C**

**(BHARAT SONKHIYA)**

**Partner**

**Membership No : 403023**



Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non - current assets</b>			
Property, Plant and Equipment	2	234.56	246.05
Capital work-in-progress	3	17.59	0.64
Right of Use Assets	4	0.49	-
Financial Assets			
Others	7(a)	2.32	0.87
Tax Assets (net)		10.96	-
Other non current assets	6	208.22	93.70
<b>Total non-current assets</b>		<b>474.14</b>	<b>341.26</b>
<b>Current assets</b>			
Inventories	7	742.82	495.83
Financial Assets			
Loans	5	184.31	255.00
Trade receivables	8	110.47	292.20
Cash and cash equivalents	9	0.58	1.68
Bank balances other than above	10	258.30	253.31
Current Tax Assets (Net)		19.69	18.52
Other current assets	6	66.88	161.86
Others financial assets	7(b)	2,188.91	1,327.56
<b>Total current assets</b>		<b>3,571.96</b>	<b>2,805.96</b>
<b>TOTAL ASSETS</b>		<b>4,046.11</b>	<b>3,147.22</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Partner's capital	11	100.00	100.00
<b>Partner's capital</b>		<b>100.00</b>	<b>100.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	12	0.92	5.20
Provisions	13	401.35	6.44
Deferred tax liabilities (net)	14	37.23	70.00
<b>Total non-current liabilities</b>		<b>439.50</b>	<b>81.64</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	12	2,844.27	748.54
Trade payables	15	297.26	2,069.06
Other financial liabilities	16	-	5.99
Other current liabilities	17	5.19	34.45
Provisions	13	4.35	0.20
Current tax liabilities (net)		355.54	107.34
<b>Total current liabilities</b>		<b>3,506.61</b>	<b>2,965.58</b>
<b>Total liabilities</b>		<b>3,946.11</b>	<b>3,047.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,046.11</b>	<b>3,147.22</b>

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

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

Bharat Sonkhiya  
Partner

Membership No: 403023

Place: Jaipur  
Date : May18, 2022



In confirmation of the facts  
For Gravita Metal Inc.

Yogesh Malhotra  
DIN: 05332393

Whole Time Director & CEO of Partner  
Company Gravita India Limited

Place: Jaipur  
Date : May18, 2022

Vijendra Singh Tanwar  
DIN: 00855175

Director of Partner Company  
Gravita Infotech Limited

Place: Jaipur  
Date : May18, 2022

40

M/s Gravita Metal Inc.  
25, SIPCOP, IND, Area, Kathua (J&K)



Statement of Profit and Loss for the period ended March 31, 2022  
(All amounts in Rs. lacs, unless otherwise stated)

Particulars	Note	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>I Income</b>			
Revenue from operations	18	9,346.66	8,554.82
Other income	19	42.50	32.42
<b>Total income (I)</b>		<b>9,389.16</b>	<b>8,587.24</b>
<b>II Expenses</b>			
Cost of materials consumed	20	9,117.38	7,572.33
Purchases of Traded goods	21	-	-
Changes in inventories of finished goods, work-in-progress and traded goods	22	(292.01)	(30.64)
Employee benefits expense	23	227.06	179.65
Finance costs	24	169.60	135.64
Depreciation and amortisation expense	25	24.56	25.63
Other expenses	26	602.97	883.38
<b>Total expenses (II)</b>		<b>9,849.56</b>	<b>8,765.99</b>
<b>III Profit before tax (I - II)</b>		<b>(460.40)</b>	<b>(178.75)</b>
<b>IV Tax expense</b>	27		
Current tax		-	335.34
Deferred tax charge		(32.77)	(5.88)
<b>Total tax expense</b>		<b>(32.77)</b>	<b>329.46</b>
<b>V Profit for the year (III - IV)</b>		<b>(427.63)</b>	<b>(508.21)</b>
<b>VI Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities		-	(0.35)
Income tax on above items		-	0.12
<b>Other comprehensive income, net of tax</b>		<b>-</b>	<b>(0.23)</b>
<b>VII Total comprehensive income for the year (V + VI)</b>		<b>(427.63)</b>	<b>(508.44)</b>

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

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



In confirmation of the facts  
For Gravita Metal Inc.

  
Bharat Sonkhiya  
Partner

  
Yogesh Malhotra  
DIN: 05332393

  
Vijendra Singh Tanwar  
DIN: 00855175

Membership No: 403023

Whole Time Director & CEO of Partner  
Company Gravita India Limited

Director of Partner Company  
Gravita Infotech Limited

Place: Jaipur

Place: Jaipur

Place: Jaipur

Date : May18, 2022

Date : May18, 2022

Date : May18, 2022





M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

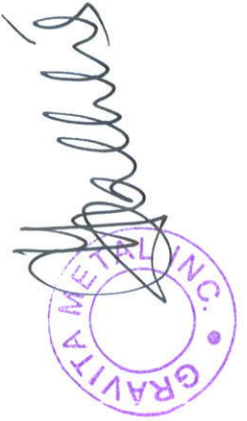
For the period ended March 31, 2022

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



Note 2 - Property, plant and equipment

Particulars	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
Gross carrying amount							
As at March 31, 2020	66.11	182.63	1.66	0.41	0.75	27.13	278.69
Additions during the year	5.05	68.43	0.60	0.32	-	-	74.40
Disposals/ Adjustments	-	(10.29)	-	-	(0.09)	-	(10.38)
As at March 31, 2021	71.16	240.77	2.26	0.73	0.66	27.13	342.71
Additions during the Period	-	10.08	0.72	2.24	-	-	13.04
Disposals/ Adjustments	-	-	-	-	-	-	-
As at March 31, 2022	71.16	250.85	2.98	2.97	0.66	27.13	355.75
Accumulated depreciation							
As at March 31, 2020	11.68	54.02	0.69	0.24	0.22	5.75	72.60
Charge for the year	2.99	18.76	0.40	0.15	0.10	3.23	25.63
Deletions	-	(1.49)	-	-	(0.08)	-	(1.57)
As at March 31, 2021	14.67	71.29	1.09	0.39	0.24	8.98	96.66
Charge for the Period	3.08	17.28	0.50	0.35	0.06	3.23	24.49
Deletions	-	-	0.03	-	-	-	0.03
As at March 31, 2022	17.75	88.57	1.62	0.74	0.30	12.21	121.19
Net carrying value							
As at March 31, 2021	56.49	169.48	1.17	0.34	0.42	18.15	246.05
As at March 31, 2022	53.41	162.28	1.36	2.23	0.36	14.92	234.56



M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



**Note 3 - Capital work-in-progress**

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	0.64	60.96
Net movement during the year	16.95	(60.32)
<b>At the end of the year</b>	<b>17.59</b>	<b>0.64</b>

**Note 4 - Right-of-use assets**

Particulars	Land	Total
<b>Gross carrying amount</b>		
As at March 31, 2020	1.61	1.61
Additions during the year	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2021</b>	<b>1.61</b>	<b>1.61</b>
Additions during the Period	0.49	0.49
Disposals/ Adjustments	-	-
<b>As at March 31, 2022</b>	<b>2.10</b>	<b>2.10</b>
<b>Accumulated depreciation</b>		
As at March 31, 2020	1.61	1.61
Charge for the year		
Deletions		-
<b>As at March 31, 2021</b>	<b>1.61</b>	<b>1.61</b>
Charge for the Period		-
Deletions		-
<b>As at March 31, 2022</b>	<b>1.61</b>	<b>1.61</b>
<b>Net carrying value</b>		
As at March 31, 2021	-	-
As at March 31, 2022	0.49	0.49





**Note 5 - Loans**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>Non-current</b>		
Security deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Unsecured, considered good</b>		
<b>Current</b>		
Security deposits	-	10.00
Loans given to others	184.31	245.00
<b>Total</b>	<b>184.31</b>	<b>255.00</b>

**Note 6 - Other assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>Non-current</b>		
Capital advances	28.04	1.00
Balance with government authorities	180.18	92.70
<b>Total</b>	<b>208.22</b>	<b>93.70</b>
<b>Unsecured, considered good</b>		
<b>Current</b>		
Advances to vendors	7.44	12.51
Advances to employees	0.02	0.40
Prepaid expenses	0.61	3.11
Balance with government authorities	58.81	145.84
<b>Total</b>	<b>66.88</b>	<b>161.86</b>

**Note 7 - Inventories \***

(At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	86.01	173.74
Goods-in-transit	9.44	-
Work-in-progress	286.51	156.04
Finished goods	300.73	139.21
Goods-in-transit	-	-
Stock-in-trade (in respect of goods acquired for trading)	-	-
Stores and spares	18.31	11.20
Consumables	41.82	15.64
<b>Total</b>	<b>742.82</b>	<b>495.83</b>

\* Refer note 12 for hypothecation as securities with bank/ financial institutions on inventories.

**Note 8 - Trade receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
Trade receivables - considered good	110.47	292.20
<b>Total</b>	<b>110.47</b>	<b>292.20</b>

\* Refer note 12 for hypothecation as securities with bank/ financial institutions on trade receivables.

**Note - Others financial assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non Current</b>		
Fixed deposits with more than 12 months maturity	-	-
Other Financial assets	-	-
Advance income tax and tax deducted at source receivables	10.96	-
<b>Total</b>	<b>10.96</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>



*(Handwritten signature)*



M/s Gravita Metal Inc.  
 Summary of the significant accounting policies and other explanatory information  
 For the period ended March 31, 2022  
 (All amounts in Rs. lacs, unless otherwise stated)

Note 7 - Others financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(a) Non Current</b>		
Security Deposits-Non Current	2.32	0.87
<b>Total (a)</b>	<b>2.32</b>	<b>0.87</b>
<b>(b) Current</b>		
Derivatives designated at fair value through profit or loss		
- Unrealised gain/(loss) on future commodity contracts	-	-
- Unrealised gain/(loss) on future commodity contracts	-	-
Defered corporate guarantee Assets	-	-
Other Financial assets	2,188.91	1,327.56
Other Contractual receivables from related parties	-	-
<b>Total (b)</b>	<b>2,188.91</b>	<b>1,327.56</b>

\* Represent lien with banks and financial institution and are restricted from being exchanged or used to settle a liability.

A handwritten signature in black ink is written over a purple circular stamp. The stamp contains the text "GRAVITA METAL INC." around the perimeter.

A purple circular stamp for a Chartered Accountant. The text inside the stamp includes "SANGANI & ASSOCIATES", "FRN 18755C", "JALPUR", and "Chartered Accountants" around the perimeter.

**Note 9 - Cash and cash equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	0.01	0.68
Cash on hand	0.57	1.00
<b>Total</b>	<b>0.58</b>	<b>1.68</b>

**Note 10 - Bank balances Other than cash and cash equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits	258.30	253.31
<b>Total</b>	<b>258.30</b>	<b>253.31</b>

**Note 11 - Partner's Capital**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Fixed Capital</b>		
Gravita India Limited	95.00	95.00
Gravita Infotech Limited	5.00	5.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Note 12 - Borrowings<sup>(1)</sup>**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current borrowings<sup>(2)</sup></b>		
<b>Secured</b>		
Vehicle loans	6.35	11.19
Less: Current maturities disclosed under other financial liabilities (refer note 16)	5.43	5.99
<b>Total</b>	<b>0.92</b>	<b>5.20</b>
<b>Current borrowings<sup>(3)</sup></b>		
<b>Loans repayable on demand - From banks (secured)</b>		
Cash credit / overdraft	613.83	748.54
Current maturities disclosed under other financial liabilities	5.43	-
<b>Unsecured</b>		
From institutions other than banks (unsecured)	2,225.01	-
<b>Total</b>	<b>2,844.27</b>	<b>748.54</b>

1. There is no default in repayment of principal repayment or interest thereon.

2. Repayment terms and security disclosure for the outstanding non-current borrowings (including current maturities) are as follows:

i. Vehicle loan from banks of Rs. 6.35 lacs (March 31, 2021: Rs. 11.19 lacs) carry interest @ 4.63% p.a. The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 60 months.

3. Security disclosure for the outstanding current borrowings are as follows:

- i. Loans repayable on demand from banks are secured by way of:
- Hypothecation of all kinds of stocks of raw material, SFG and FG, consumables, trade receivables of the firm.
  - Mortgage of lease hold rights of factory land situated at plot no. 25 & 26, situated at SIPCOP, Industrial Area, Kathua, (J&K).
  - Hypothecation of plant & machinery and other fixed assets of the firm (present & future).
  - Mortgage of Flat 102 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Gravita Infotech Limited.
  - Corporate guarantee of Gravita India Limited and Gravita Infotech Limited.(Partner companies)
  - Personal guarantee of Managing Director of partner companies Mr. Rajat Agrawal.






M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



**Note 13 - Provisions**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current provisions</b>		
- For Gratuity	2.99	5.19
- For Compensated absences	(1.64)	1.25
Provision for other liabilities	400.00	-
<b>Total</b>	<b>401.35</b>	<b>6.44</b>
<b>Current provisions</b>		
- For Gratuity	1.29	0.11
- For Compensated absences	3.06	0.09
<b>Total</b>	<b>4.35</b>	<b>0.20</b>

**Note 14 - Deferred tax liabilities (net)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment and intangible assets	27.03	27.61
Incentive income	11.57	44.42
Other temporary differences	0.17	0.29
<b>Gross deferred tax liabilities</b>	<b>38.77</b>	<b>72.32</b>
<b>Deferred tax asset arising on account of:</b>		
Provision for employee benefits and other liabilities deductible on actual payment	(43.57)	2.32
<b>Gross deferred tax assets</b>	<b>1.54</b>	<b>2.32</b>
<b>Deferred tax liabilities (net)</b>	<b>37.23</b>	<b>70.00</b>

**Deferred tax movements**

Movement of net deferred tax assets and liabilities for the period ended March 31, 2022 is as follows:

Particulars	Opening balance	(Charge)/ credit in Statement of Profit and loss	(Charge)/ credit in other comprehensive income	Closing balance
Property, plant and equipment and intangible assets	(27.61)	0.41	-	(27.20)
Provision for employee benefits and other liabilities deductible on actual payment	2.32	0.90	-	3.22
Incentive income	(44.42)	32.25	-	(12.17)
Others	(0.29)	(46.18)	-	(46.47)
<b>Total</b>	<b>(70.00)</b>	<b>(12.62)</b>	<b>-</b>	<b>(82.62)</b>

Movement of net deferred tax assets and liabilities for the year ended March 31, 2021 is as follows:

Particulars	Opening balance	(Charge)/ credit in Statement of Profit and loss	(Charge)/ credit in other comprehensive income	Closing balance
Property, plant and equipment and intangible assets	(18.70)	(8.91)	-	(27.61)
Provision for employee benefits and other liabilities deductible on actual payment	6.15	(3.95)	0.12	2.32
Incentive income	(63.45)	19.03	-	(44.42)
Others	-	(0.29)	-	(0.29)
<b>Total</b>	<b>(76.00)</b>	<b>5.88</b>	<b>0.12</b>	<b>(70.00)</b>

  
GRAVITA METAL INC.



M/s Gravita Metal Inc.  
25, SIPCOP, IND, Area, Kathua (J&K)



Summary of the significant accounting policies and other explanatory information  
For the period ended March 31, 2022  
(All amounts in Rs. lacs, unless otherwise stated)

**Note 15 - Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises <sup>(i)</sup>	5.64	4.36
Total outstanding dues of creditors other than micro and small enterprises	291.62	2,064.70
<b>Total</b>	<b>297.26</b>	<b>2,069.06</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, 2022	As at March 31, 2021
i Principal amount remaining unpaid to any supplier as at the end of the accounting year	5.64	4.36
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 16 - Other current financial liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of non-current borrowings (refer note 12)	-	5.99
Creditors for capital goods	-	-
<b>Total</b>	<b>-</b>	<b>5.99</b>

**Note 17 - Other current liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance received from customers	1.05	2.77
Statutory remittances	4.14	31.68
<b>Total</b>	<b>5.19</b>	<b>34.45</b>

GRAVITA METAL INC.





**Note 18 - Revenue from operations**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Sale of products</b>		
Manufactured goods	9,330.39	8,349.73
Traded goods	-	-
<b>Other operating revenues</b>		
GST incentive (refund)	3.70	191.60
Job work income	-	2.48
Scrap sales	12.57	11.01
<b>Total</b>	<b>9,346.66</b>	<b>8,554.82</b>

**i. Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers**

**(a) Disaggregate revenue information**

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by Product type. The Firm believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Revenue by product type:</b>		
Lead	9,330.39	8,349.73
<b>Revenue by geography:</b>		
Domestic	9,330.39	8,349.73
<b>Revenue by time:</b>		
Revenue recognised at point in time	9,330.39	8,349.73

**(b) Revenue recognised in relation to contract liabilities**

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	For the period ended March 31, 2022
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year	2.77

**(c) Liabilities related to contracts with customers**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	1.05	2.77

**(d) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price**

Particulars	For the period ended March 31, 2022
Contract price	9,330.39
Less: discount, rebates, credits etc.	-
Revenue from operations as per Statement of Profit and Loss	9,330.39

**Note 19 - Other income**

Particular	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Interest income from:</b>		
- bank deposits (at amortised cost)	13.46	11.24
- others	29.04	21.18
<b>Other non-operating income</b>		
Miscellaneous income	-	-
<b>Total</b>	<b>42.50</b>	<b>32.42</b>






M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



**Note 20 - Cost of material consumed**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Raw materials consumed	9,117.38	7,572.33
Total	9,117.38	7,572.33

**Note 21 - Purchase of traded goods**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Others	-	-
Total	-	-

**Note 22 - Changes in inventories of finished goods, work-in-progress and traded goods**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Opening stock</b>		
Finished goods	139.21	31.31
Work-in-progress	156.04	233.30
<b>Less: Closing stock</b>		
Finished goods	300.73	139.21
Work-in-progress	286.53	156.04
<b>Change in inventories of finished goods, work-in-progress and traded goods</b>	<b>(292.01)</b>	<b>(30.64)</b>

**Note 23 - Employee benefits expense**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Salaries and wages	199.26	159.81
Contribution to provident and other funds	10.97	8.30
Staff welfare expenses	16.83	11.54
Total	227.06	179.65

**Note 24 - Finance cost**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Interest costs on		
- Borrowings	166.98	78.09
- Others	-	57.00
Other borrowing costs	2.62	0.55
Total	169.60	135.64

**Note 25 - Depreciation and amortisation expense**

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Depreciation of property, plant and equipment	24.56	25.63
Depreciation of Right of use assets	-	-
Total	24.56	25.63



M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



**Note 26 - Other expenses**

Particulars	For the period ended	For the period ended
	March 31, 2022	March 31, 2021
Power and fuel	12.65	10.90
Rates and taxes	420.30	695.68
Legal and professional fees	3.96	3.03
Repairs and maintenance		
- Plant and machinery	47.46	40.08
- Buildings	1.89	2.96
- Others	3.99	2.66
Freight and forwarding	69.75	58.65
Travelling and conveyance	0.97	1.14
Insurance	2.44	1.61
Rent	2.36	5.08
Sales commission	6.69	0.06
Advertising and sales promotion	-	0.25
Payment to auditor	0.80	0.38
Allowance for expected credit loss on financial assets (including write off)	1.36	35.44
Loss on sale/ discard of property, plant and equipment	0.03	1.13
Bank charges	6.63	5.43
Miscellaneous expenses	21.69	18.90
<b>Total</b>	<b>602.97</b>	<b>883.38</b>

M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



Note 27 - Tax expense

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Current tax</b>		
Current tax expense	-	213.06
Short provision for tax relating to prior years	-	122.28
<b>Total</b>	<b>-</b>	<b>335.34</b>
<b>Deferred tax</b>		
In respect of current period	(32.77)	(5.88)
<b>Total</b>	<b>(32.77)</b>	<b>(5.88)</b>
<b>Income tax recognised in Statement of Profit and Loss</b>	<b>(32.77)</b>	<b>329.46</b>
<b>The reconciliation of the estimated tax expense at income tax rate to income tax expense reported in the statement of profit and loss is as follows:</b>		
Accounting profit before tax	(460.40)	(178.75)
Statutory income tax rate	34.94%	34.94%
Tax expense at statutory income tax rate	(160.88)	(62.46)
<b>Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:</b>		
Effect of income that is exempt from taxation	1.29	
Effect of expenses that are not deductible in determining taxable profit	137.28	0.56
Movement in tax provision relating to prior years	-	122.28
Others	(10.46)	391.36
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>(32.77)</b>	<b>329.46</b>





**Note 30 - Employee benefits plans**

**(I) Defined Contribution Plans**

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

The Firm has recognised for contributions to these plans in the Statement of Profit and Loss as under:

Particulars	For the period ended	For the period ended
	March 31, 2022	March 31, 2021
Employer's contribution to provident funds	7.61	5.96
Employer's contribution to employee state insurance	2.72	2.34

These plans typically expose the Firm to actuarial risks such as investment risk, salary risk, interest rate risk and longevity risk.

**Investment Risk** - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Salary Risk** -The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Interest Risk** -The plan exposes the Firm to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

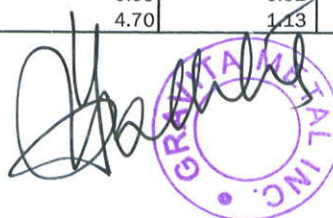
**Longevity Risk** -The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

**Reconciliation of opening and closing balances Defined Benefit Obligation**

Particulars	For the period ended March 31, 2022		For the period ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>Change in benefit obligation</b>				
1. Present value of obligation as at the beginning of the year	5.29	1.33	4.56	1.98
2. Current service cost	0.69	0.32	0.81	0.23
3. Interest cost	0.36	0.09	0.31	0.13
4. Actuarial (gain) / loss	(2.07)	0.31	0.35	(0.58)
5. Benefits paid	-	-	(0.74)	(0.44)
<b>Liability recognized in the financial statement</b>	<b>4.27</b>	<b>2.05</b>	<b>5.29</b>	<b>1.33</b>
<b>Main actuarial assumption</b>				
Discount rate	7.22%	7.22%	7%	7%
Expected rate of increase in compensation levels	6.00%	6.00%	6%	6%
Expected average remaining working lives of employees (in years)	18.45	18.45	18.56	18.56
Average remaining working lives of employees with Mortality and Withdrawal (years)	15.28	15.28	15.39	15.39
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):	100%	100%	100%	100%
<b>Attrition at Ages</b>				
- Age upto 30 years	3%	3%	3%	3%
- Age from 31 to 44 years	2%	2%	2%	2%
- Age above 44 years	1%	1%	1%	1%
Retirement age (years)	58.00	58.00	58.00	58.00

**Maturity profile of defined benefit obligation**

Year	For the period ended March 31, 2022		For the period ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	0.11	0.09	0.11	0.09
1 to 2 year	0.10	0.03	0.10	0.03
2 to 3 year	0.10	0.02	0.10	0.02
3 to 4 year	0.10	0.02	0.10	0.02
4 to 5 year	0.09	0.02	0.09	0.02
5 to 6 year	0.09	0.02	0.09	0.02
6 year onwards	4.70	1.13	4.70	1.13




Particulars	For the period ended March 31, 2022		For the period ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>Cost for the period</b>				
1. Current service cost	0.69	0.32	0.81	0.23
2. Net interest cost	0.36	0.09	0.31	0.13
3. Actuarial loss	-	0.31	-	(0.58)
<b>Total amount recognised in Statement of Profit or Loss</b>	<b>1.05</b>	<b>0.72</b>	<b>1.13</b>	<b>(0.21)</b>
<b>Re-measurements recognised in Other comprehensive income</b>				
- Effect of changes in financial assumptions	(0.31)	(0.31)	0.35	-
- Effect of experience adjustments	-	-	-	-
<b>Total re-measurements included in Other comprehensive income</b>	<b>(0.31)</b>	<b>-</b>	<b>0.35</b>	<b>-</b>
<b>Total amount recognised in statement of profit and loss</b>	<b>1.36</b>	<b>0.72</b>	<b>1.48</b>	<b>(0.21)</b>

#### Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	For the period ended March 31, 2022		For the period ended March 31, 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	4.27	2.05	5.29	1.33
(a) Impact of the change in discount rate				
(i) Impact due to increase of 0.50%	(0.27)	(0.09)	(0.37)	(0.09)
(ii) Impact due to decrease of 0.50%	0.29	0.10	0.41	0.10
(b) Impact of the change in salary increase				
(i) Impact due to increase of 0.50%	0.29	0.10	0.41	0.10
(ii) Impact due to decrease of 0.50%	(0.27)	(0.09)	(0.37)	(0.09)

#### Note 31 - Financial Instruments

##### Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at	As at
		March 31, 2022	March 31, 2021
<b>Financial assets measured at amortised cost</b>			
Loans	5	184.31	255.87
Trade receivables	8	110.47	292.20
Cash and cash equivalents	9	0.58	1.68
Other bank balances	10	258.30	253.31
<b>Total financial assets</b>		<b>553.66</b>	<b>803.06</b>
<b>Financial liabilities measured at amortised cost</b>			
Borrowings	12	2,845.19	753.74
Trade payables	15	297.26	2,069.06
Other financial liabilities	16	-	5.99
<b>Total financial liabilities</b>		<b>3,142.45</b>	<b>2,828.79</b>

(i) Carrying amount of the financial assets and liabilities designated at amortised cost approximates its fair value.

##### Fair values hierarchy

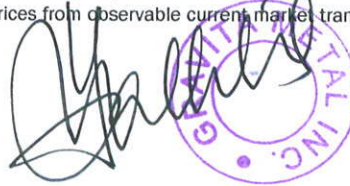
The fair value of financial instruments as referred to in above note has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

##### The categories used are as follows:

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.





**Note 32 - Financial Risk Management**

The firm is exposed to various financial risks arising from its underlying operations and finance activities. The firm is primarily exposed to market risk (i.e. interest rate and foreign currency risk), to credit risk and liquidity risk. The firm's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management within the firm is governed by policies and guidelines approved by the senior management and Partners. These policies and guidelines cover interest rate risk, credit risk and liquidity risk. Firm policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function within the firm. Review of the financial risk is done on a monthly basis by the Partners and on a quarterly basis by the Partners. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the firm's results and financial position.

In accordance with its financial risk policies, the firm manages its market risk exposures by using specific type of financial instruments duly approved by the Partners as and when deemed appropriate. It is the firm's policy and practice neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. The Partners / Seniors Management reviews and approves policies for managing each of the above risks.

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments.

**(i) Foreign Currency Risk Management**

As the firm is not dealing in foreign currency therefore, there are no foreign currency risk exist

**(ii) Interest Rate Risk Management**

Interest rate risk arises from movements in interest rates which could have effects on the firm's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The firm's exposure to the risk of changes in market interest rates relates primarily to the firm's long-term debt obligations with floating interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	613.83	748.54
Fixed rate borrowing	2,236.79	11.19
<b>Total borrowings</b>	<b>2,850.62</b>	<b>759.73</b>

**Sensitivity**

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Interest rate - increase by 100 basis points (100 bps)*	6.14	7.49
Interest rate - decrease by 100 basis points (100 bps)*	(6.14)	(7.49)

\* Holding all other variable constant

**(b) Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The firm is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage trade receivables, the firm periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Credit risk from balances with banks and financial institutions is managed by the firm's treasury department in accordance with the firm's policy.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed below:

Particulars	As at March 31, 2022	As at March 31, 2021
Amount not yet due	192.00	211.18
Between one to six month overdue	68.02	81.02
Greater than six month overdue	-	-
<b>Total</b>	<b>260.02</b>	<b>292.20</b>






**Movement in the expected credit loss allowance of financial assets**

Reconciliation of loss allowance	Financial assets
Loss allowance as at April 1, 2020	-
Changes in loss allowance	-
Loss allowance as at March 31, 2021	-
Changes in loss allowance	-
Loss allowance on March 31, 2022	-

**(c) Liquidity risk management**

Liquidity risk is the risk that the firm 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 firm has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The firm's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The firm manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The firm 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.

Particulars	As at March 31, 2022	As at March 31, 2021
Total committed working capital limits from Banks	900.00	900.00
Utilized working capital limit	619.26	748.54
Unutilized working capital limit	280.74	151.46

**(ii) Maturities of financial liabilities**

The tables below analyse the Firm's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

**Contractual maturities of financial liabilities**

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
<b>As at March 31, 2022</b>				
<b>Non-derivatives</b>				
Non-current borrowing	-	0.92	-	0.92
Short term borrowings	2,844.27	-	-	2,844.27
Trade payable	297.26	-	-	297.26
Other financial liabilities	-	-	-	-
<b>Total</b>	<b>3,141.53</b>	<b>0.92</b>	<b>-</b>	<b>3,142.45</b>
<b>As at March 31, 2021</b>				
<b>Non-derivatives</b>				
Non-current borrowing	5.99	6.91	-	12.90
Short term borrowings	748.54	-	-	748.54
Trade payable	2,069.06	-	-	2,069.06
Other financial liabilities	5.99	-	-	5.99
<b>Total</b>	<b>2,829.58</b>	<b>6.91</b>	<b>-</b>	<b>2,836.49</b>

\* Including current maturities of non-current borrowings along with estimated future interest obligation




M/s Gravita Metal Inc.

25, SIPCOP, IND, Area, Kathua (J&K)

Summary of the significant accounting policies and other explanatory information

For the period ended March 31, 2022

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



Note 33 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

(i) Name of related parties and nature of related party relationship

(a) Partners

Particulars	Partner share in Gravita Metal Inc	
	March 31, 2022	March 31, 2021
Gravita India Limited	95.00	95.00
Gravita Infotech Limited	5.00	5.00

(b) Entities over which Key Managerial Personnel and / or their relatives exercise significant influence:

M/s Shasin Industries upto Sep 30, 2021
M/s Gravita Infotech
M/s Recycling Infotech LLP

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

Transactions with related parties :

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
<b>Sales</b>		
<b>Partner</b>		
Gravita India Limited	278.04	290.82
<b>Entities having common key management personnel and/or their relatives</b>		
M/s Shasin Industries	-	-
<b>Purchases</b>		
<b>Partner</b>		
Gravita India Limited	403.36	862.50
<b>Entities having common key management personnel and/or their relatives</b>		
M/s Shasin Industries	-	-
<b>Profit distribution</b>		
<b>Partner</b>		
Gravita India Limited	(406.25)	(483.02)
Gravita Infotech Limited	(21.38)	(25.42)
<b>Expenses reimbursed</b>		
<b>Partner</b>		
Gravita India Limited	-	1.20




(This space has been intentionally left blank)

M/s Gravita Metal Inc.  
25, SIPCOP, IND, Area, Kathua (J&K)  
Summary of the significant accounting policies and other explanatory information  
For the period ended March 31, 2022  
(All amounts in Rs. lacs, unless otherwise stated)



Closing balances with related parties:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Receivables</b>		
Partner		
Gravita India Limited	820.01	17.50
<b>Payable</b>		
Partner		
Gravita India Limited	-	-
<b>Capital Balances (Fixed and current capital)</b>		
Partner		
Gravita India Limited	90.38	95.00
Gravita Infotech Limited	9.62	5.00

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 Gravita Metal Inc.

**Yogesh Malhotra**

DIN: 05382393

Whole Time Director & CEO of Partner  
Company Gravita India Limited

Place: Jaipur

Date : May18, 2022

Place: Jaipur

Date : May18, 2022