



**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)

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## INDEPENDENT AUDITOR’S REPORT

**From: R Sogani & Associates**

**Subject: Report on Gravita Metal Inc. (“The Firm”) for the purpose of Fit for consolidation for the year ended 31<sup>st</sup> March, 2024**

**To: Walker Chandiook & Co LLP**

In accordance with the instructions in your e-mail dated 2<sup>nd</sup> April, 2024, 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. (“The Firm”) as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss (including Other Comprehensive Income) of the Firm for the year ended 31<sup>st</sup> March 2024 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 statements of Gravita Metal Inc. for the year ended 31<sup>st</sup> March 2024, 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 31, 2024;
- (b) In case of the Statement of Profit and Loss including other comprehensive income, or the Profit for the year ended on that date;
- (c) Summary of material accounting policies and other explanatory information.





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

### **Information other than the Financial Statements and Auditor's Report thereon**

The Entity's partners are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to report the fact.

On audit report date, we have nothing to report in this regard, because the annual report is expected to be made available to us after the date of this auditor's report.





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### **Management's Responsibility for the Financial Statements**

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the entity in accordance with accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS), as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

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

The Management is also responsible for overseeing the Firm's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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





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economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Firm's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Firm to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

The auditee is a firm and even though the financials of the auditee are consolidated with a company on whom audit trail is applicable, we are not required to report on these matters since the provisions of the Companies Act, 2013 do not apply to such component.

**Place: Jaipur**

**Date: 29-04-2024**

**UDIN: 24403023BKBMPPF3090**

**For R Sogani & Associates**

**Chartered Accountants**

**FRN: 018755C**

**(Bharat Sonkhiya)**

**Partner**

**Membership No.: 403023**

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>I. ASSETS</b>			
<b>Non - current assets</b>			
Property, Plant and Equipment	2	288.97	288.51
Capital work-in-progress	3	35.77	0.88
Right of Use Assets	4	-	-
Financial Assets	6	-	-
Loans	5	525.95	583.89
Others	19	315.86	-
Tax Assets (net)	7	-	-
Other non current assets			
<b>Total non-current assets</b>		<b>1,166.55</b>	<b>873.28</b>
<b>Current assets</b>			
Inventories	8	220.23	304.01
Financial Assets			
Investments	6	-	-
Loans	6	-	50.00
Trade receivables	9	198.61	586.83
Cash and cash equivalents	10	5.64	1.20
Bank balances other than above	11	115.97	102.51
Current Tax Assets (Net)	19	-	18.52
Other current assets	7	10.35	4.85
Others financial assets	6	6.32	16.89
Assets held-for-sale			
<b>Total current assets</b>		<b>557.12</b>	<b>1,084.81</b>
<b>TOTAL ASSETS</b>		<b>1,723.67</b>	<b>1,958.09</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Partner's capital	12	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	13	6.93	8.85
Provisions	14	32.23	6.80
Deferred tax liabilities (net)	15	23.97	30.05
<b>Total non-current liabilities</b>		<b>63.13</b>	<b>45.70</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13	1.24	245.76
Trade payables	16	-	-
Total outstanding due of micro enterprises and small enterprises; and		0.55	0.90
Total outstanding due of creditors other than micro enterprises and small enterprises		336.30	19.38
Other financial liabilities	17	1,179.81	1,197.78
Other current liabilities	18	37.41	28.28
Provisions	14	2.52	0.21
Current tax liabilities (net)		2.71	320.08
<b>Total current liabilities</b>		<b>1,560.54</b>	<b>1,812.39</b>
<b>Total liabilities</b>		<b>1,623.67</b>	<b>1,858.09</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,723.67</b>	<b>1,958.09</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 Sonkhya  
 Partner  
 Membership No: 403023  
 Place: Jaipur  
 Date: 29 April, 2024



In confirmation of the facts  
 For Gravita Metal Inc.

Yogesh Malhotra  
 DIN: 06332393  
 Whole Time Director & CEO of Partner  
 Company Gravita India Limited  
 Place: Jaipur  
 Date: 29 April, 2024

Rajat Agrawal  
 DIN: 00855284  
 Managing Director of Partner  
 Company Gravita India Limited  
 Place: Jaipur  
 Date: 29 April, 2024

M/s Gravita Metal Inc.  
Plot No 25-26, SICOP, IND, Area, Kathua-184102 (J&K)  
Statement of Profit and Loss for the period ended March 31, 2024  
(All amounts in Rs. lacs, unless otherwise stated)



Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I Income</b>			
Revenue from operations	20	5,662.50	7,052.75
Other income	21	475.98	42.91
<b>Total income (I)</b>		<b>6,138.48</b>	<b>7,095.66</b>
<b>II Expenses</b>			
Cost of materials consumed	22	5,382.70	6,280.51
Purchases of Traded goods		-	-
Changes in inventories of finished goods, work-in-progress and traded goods	23	84.71	360.83
Employee benefits expense	24	221.97	193.12
Finance costs	25	4.02	76.14
Depreciation and amortisation expense	26	27.55	25.19
Other expenses	27	159.21	178.92
<b>Total expenses (II)</b>		<b>5,880.16</b>	<b>7,114.71</b>
<b>III Profit before tax (I - II)</b>		<b>258.32</b>	<b>(19.05)</b>
<b>IV Tax expense</b>	28		
Current tax		10.51	-
Deferred tax charge		0.05	(7.17)
<b>Total tax expense</b>		<b>10.56</b>	<b>(7.17)</b>
<b>V Profit for the year (III - IV)</b>		<b>247.76</b>	<b>(11.88)</b>
<b>VI Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities		(17.55)	-
Income tax on above items		6.13	-
<b>Other comprehensive income, net of tax</b>		<b>(11.42)</b>	<b>-</b>
<b>VII Total comprehensive income for the year (V + VI)</b>		<b>236.34</b>	<b>(11.88)</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



*(Signature)*

Bharat Sonkhiya  
Partner  
Membership No: 403023

Place: Jaipur  
Date : 29 April, 2024



In confirmation of the facts  
For Gravita Metal Inc.

*(Signature)*

Yogesh Malhotra  
DIN: 05332393  
Whole Time Director & CEO of Partner  
Company Gravita India Limited

Place: Jaipur  
Date : 29 April, 2024

*(Signature)*

Rajat Agrawal  
DIN: 00855284  
Managing Director of Partner  
Company Gravita India Limited

Place: Jaipur  
Date : 29 April, 2024



**Note 1 - Corporate information, statement of compliance with Ind AS, basis of preparation and summary of material accounting policies**

**(A) Corporate Information**

Gravita Metal Inc. (the 'Partnership Firm ') incorporated under the provisions of the Partnership Act, 1832 applicable in India. The registered office of The Partnership Firm is situated at "25, SIPCOP, IND, Area, Kathua (J&K)" Kathua - 184101.

The Principal activities of The Partnership Firm are - Lead processing, and trade (Lead products). The Partnership Firm carries out the smelting of lead battery scrap / Lead concentrate to produce secondary Lead metal, which is further transformed into Pure Lead, a Specific Lead Alloy.

Amounts in the financial statements are presented in Rs. Lacs, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to round-off are expressed as zero. The financial statements are presented in Indian Rupees (Rs.) which is also the functional currency of the Firm.

These financial statements for the year ended March 31, 2024, are approved and adopted by the Board of Directors in their meeting held on April 29, 2024. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Partnership Act, 1932.

**(B) Statement of compliance with Ind AS and basis of preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS').

The Partnership Firm has uniformly applied the accounting policies during the period presented.

The financial statements have been prepared on a historical cost convention basis.

**(C) • Material accounting policies**

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

The Partnership 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 the 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 treated as current when it is:

- It is expected to be settled in the 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.







Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, The Partnership Firm has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## 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 capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts 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. The following useful life of assets has been taken by the Firm:

Tangible assets	Useful life
Buildings – factory and non-factory	5 - 60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Computer and accessories	3- 6 years
Office equipment	5 years

Freehold land is measured at cost and is not depreciated.

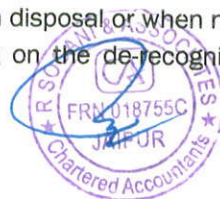
Property, plant and equipment costing up to Rs. 5,000 each are fully depreciated in the year of purchase.

Where, during any financial year, an 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 the 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.

Capital work-in-progress are assets which are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

### III. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost is as follows:

- Raw materials and stores and spares include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a moving weighted average basis.
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion
- Finished goods are valued at the cost of input valued at a moving weighted average basis plus appropriate overheads.
- Traded goods include purchase costs and other overheads incurred to bring the goods to their present location.
- By-products are valued at estimated realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of the net realisable value of such inventories.

### IV. Revenue Recognition

To determine whether to recognise revenue, The Partnership Firm follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

#### Sale of products (including scrap sales and service income):

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and The Partnership Firm has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts is recognised in the Statement of Profit and Loss on completion of performance obligation.

Revenue is measured at the fair value of the consideration received or receivables and is accounted for net of returns, rebates and trade discounts. Sales, as disclosed, are exclusive of goods and services tax.





The Partnership Firm considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which The Partnership Firm expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year. Sales, as disclosed, are exclusive of goods and services tax.

The transaction price is allocated by The Partnership Firm to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, The Partnership Firm determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

The Partnership Firm recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if The Partnership Firm satisfies a performance obligation before it receives the consideration, The Partnership Firm recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**Interest income:**

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to The Partnership Firm and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

**V. Post-employment, long-term and short-term employee benefits**

The Partnership Firm provides post-employment benefits through various defined contribution and defined benefit plans.

**Defined Contribution Plan**

The Partnership Firm makes a contribution to the statutory provident fund in accordance with the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and

contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

**Defined benefit plan**

The liability recognized in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by the actuary using the projected Unit Credit Method. Re-measurements comprising actuarial gains and losses are recognized in the other comprehensive income for the period in which they occur and are not reclassified to profit or loss.

**Other long-term employee benefits**

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.





Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

**Short-term employee benefit**

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

**VI. Provisions, contingent assets and contingent liabilities**

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations that will be confirmed only by future events not wholly within the control of the Firm; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when the inflow of economic benefits is probable, the related asset is disclosed.

**VII. 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 assets 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.

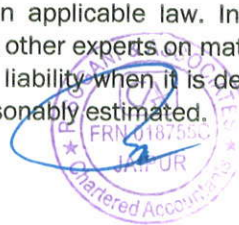
**VIII. Cash and cash equivalents.**

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.

**IX. Use of estimates and judgement**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Firm's accounting policies and that may have the most significant effect on the amounts recognised in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- a. **Useful lives of depreciable/amortizable assets:** Management reviews its estimate of the useful lives of depreciable/amortizable 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.
- b. **Evaluation of indicators for impairment of assets:** The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c. **Recognition of Deferred tax assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- d. **Allowance for expected credit loss:** The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on the Firm's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Firm's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.
- e. **Allowance for obsolete and slow-moving inventory:** The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognized in the financial statements.
- f. **Contingent liabilities:** The Partnership Firm is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against The Partnership Firm often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Partnership Firm accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.





- g. **Provisions:** At each balance sheet date basis the management judgment, changes in facts and legal aspects, The Partnership Firm assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgment.
- h. **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Partnership Firm considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term if it is reasonably certain that the lessee would exercise the option. The Partnership Firm reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.
- i. **Income Taxes:** The Firm's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, and determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.
- j. **Defined benefit obligations (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variations in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- X. **Recent accounting pronouncements:**  
Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2024.

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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, 2022	71.16	250.85	2.98	2.97	0.66	27.13	355.75
Additions during the year	52.72	22.07	1.06	-	0.30	12.52	88.67
Disposals/ Adjustments	(0.29)	(24.32)	(0.53)	(0.12)	-	-	(25.25)
As at March 31, 2023	123.59	248.60	3.51	2.85	0.96	39.65	419.17
Additions during the Period	-	26.55	0.41	1.04	-	-	28.00
Disposals/ Adjustments	-	(0.10)	(0.26)	-	-	-	(0.36)
As at March 31, 2024	123.59	275.05	3.66	3.89	0.96	39.65	446.81
Accumulated depreciation							
As at March 31, 2022	17.75	88.57	1.62	0.74	0.30	12.21	121.19
Change for the year	4.20	15.61	0.47	0.78	0.05	4.06	25.17
Deletions	(0.02)	(15.14)	(0.49)	(0.05)	-	-	(15.70)
As at March 31, 2023	21.93	89.04	1.60	1.47	0.35	16.27	130.66
Change for the Period	4.74	16.52	0.57	0.91	0.07	4.66	27.47
Disposals/ Adjustments	-	(0.03)	(0.26)	-	-	-	(0.29)
As at March 31, 2024	26.67	105.53	1.91	2.38	0.42	20.93	157.84
Net carrying value							
As at March 31, 2023	101.66	159.56	1.91	1.38	0.61	23.38	288.51
As at March 31, 2024	96.92	169.52	1.75	1.51	0.54	18.72	288.97

Chartered Accountants  
R. S. JAIPUR  
FRN 018755C

**2.1 Revaluation Of Property, Plant And Equipment**  
The Firm has not revalued any PPE during the year, therefore this disclosure requirement is not applicable.

**2.2 Benami Property**  
There is no proceeding initiated or pending against the firm for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

**2.3 Intangible Assets Under Development**  
The Firm does not have any Intangible Assets under development as on the Balance Sheet date therefore this disclosure requirement is not applicable.

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

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	0.88	17.59
Net movement during the year	34.89	(16.71)
<b>At the end of the year</b>	<b>35.77</b>	<b>0.88</b>

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

Particulars	Land	Total
<b>Gross carrying amount</b>		
As at March 31, 2022	1.61	1.61
Additions during the year	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2023</b>	<b>1.61</b>	<b>1.61</b>
Additions during the Period	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2024</b>	<b>1.61</b>	<b>1.61</b>
<b>Accumulated depreciation</b>		
As at March 31, 2022	1.61	1.61
Charge for the year	-	-
Deletions	-	-
<b>As at March 31, 2023</b>	<b>1.61</b>	<b>1.61</b>
Charge for the Period	-	-
Disposals/ Adjustments	-	-
<b>As at March 31, 2024</b>	<b>1.61</b>	<b>1.61</b>
<b>Net carrying value</b>		
As at March 31, 2023	-	-
As at March 31, 2024	-	-

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**Note 5 - Others financial assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a) Non Current</b>		
Fixed deposits with more than 12 months maturity*	156.13	156.13
Security Deposits	0.27	2.11
Others (amount deposited with Government authorities)-non current	369.55	425.65
<b>Total (a)</b>	<b>525.95</b>	<b>583.89</b>
<b>(b) Current</b>		
Others (amount deposited with Government authorities)-current	3.49	15.21
Other recoverable	2.76	1.66
Expenses- Employee & Workers Receivable	0.07	0.02
<b>Total (b)</b>	<b>6.32</b>	<b>16.89</b>

**Note 6 - Loans**

Particulars	As at March 31, 2024	As at March 31, 2023
<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	-	-
Loans given to others	-	50.00
<b>Total</b>	<b>-</b>	<b>50.00</b>

**Note 7 - Other assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
<b>Non-current</b>		
Capital advances	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Unsecured, considered good</b>		
<b>Current</b>		
Advances to vendors	8.49	3.83
Prepaid expenses	1.86	1.02
<b>Total</b>	<b>10.35</b>	<b>4.85</b>

**Note 8 - Inventories**

(At lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	-	11.03
Goods-in-transit	-	0.28
Work-in-progress	121.66	137.66
Finished goods	20.06	88.77
Stores and spares	38.82	23.39
Consumables	39.69	42.88
<b>Total</b>	<b>220.23</b>	<b>304.01</b>

**Note 9 - Trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Trade receivables - considered good	198.61	586.83
<b>Total</b>	<b>198.61</b>	<b>586.83</b>

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**Note 10 - Cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- in current accounts	2.92	-
Cash on hand	2.72	1.20
<b>Total</b>	<b>5.64</b>	<b>1.20</b>

**Note 11 - Bank balances Other than cash and cash equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposits	115.97	102.51
<b>Total</b>	<b>115.97</b>	<b>102.51</b>

**Note 12 - Partner's Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Fixed Capital</b>		
Gravita India Limited	95.00	95.00
Gravita Infotech Limited	5.00	5.00
<b>Current Capital</b>		
Gravita India Limited	-	(4.62)
Gravita Infotech Limited	-	4.62
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Note 13 - Borrowings<sup>(4)</sup>**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current borrowings<sup>(2)</sup></b>		
<b>Secured</b>		
Vehicle loans	8.17	9.99
Less: Current maturities disclosed under other financial liabilities	(1.24)	(1.14)
<b>Total</b>	<b>6.93</b>	<b>8.85</b>
<b>Current borrowings<sup>(3)</sup></b>		
<b>Loans repayable on demand - From banks (secured)</b>		
Cash credit / overdraft	-	244.62
Current maturities disclosed under other financial liabilities	1.24	1.14
<b>Unsecured</b>		
From institutions other than banks (unsecured)	-	-
<b>Total</b>	<b>1.24</b>	<b>245.76</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. 8.17 lacs (March 31, 2023: Rs. 9.99 lacs) carry interest @ 8.50% p.a. The loans are secured by way of hypothecation of vehicles and repayable in equal monthly installments over a period of 48 months.

3 Security disclosure for the outstanding current borrowings for FY 2023-2024 - Nil

4 Security disclosure for the outstanding current borrowings for FY 2022-2023 are as follows:

i. Loans repayable on demand from banks are secured by way of:

(a) Hypothecation of all kinds of stocks of raw material, SFG and FG, consumables, trade receivables of the firm.

(b) Mortgage of lease hold rights of factory land situated at plot no. 25 & 26, situated at SICOP, Industrial Area, Kathua, (J&K) in the name of M/S Gravita Metal Inc.

(c) Hypothecation of plant & machinery and other fixed assets of the firm (present & future) situated at SICOP, Industrial Area, Kathua, (J&K).

(d) Mortgage of Flat 102 in Gravita Tower, A-27-B, Tilak Nagar, Shanti Path, Jaipur of Gravita Infotech Limited.

(e) Corporate guarantee of Gravita India Limited and Gravita Infotech Limited.(Partner companies)

(f) Personal guarantee of Managing Director of partner companies Mr. Rajat Agrawal.



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**Note 14 - Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current provisions</b>		
- For Gratuity	24.36	5.34
- For Compensated absences	7.87	1.46
<b>Total</b>	<b>32.23</b>	<b>6.80</b>
<b>Current provisions</b>		
- For Gratuity	1.67	0.11
- For Compensated absences	0.85	0.10
<b>Total</b>	<b>2.52</b>	<b>0.21</b>

**Note 15 - Deferred tax liabilities (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment and intangible assets	35.85	26.52
Incentive income	-	6.02
Other temporary differences	0.17	0.17
<b>Gross deferred tax liabilities</b>	<b>36.02</b>	<b>32.71</b>
<b>Deferred tax asset arising on account of:</b>		
Provision for employee benefits and other liabilities deductible on actual payment	6.51	0.62
Other temporary differences	5.54	2.04
<b>Gross deferred tax assets</b>	<b>12.05</b>	<b>2.66</b>
<b>Deferred tax liabilities (net)</b>	<b>23.97</b>	<b>30.05</b>

**Deferred tax movements**

Movement of net deferred tax assets and liabilities for the period ended March 31, 2024 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	7.79	8.91	-	16.70
Provision for employee benefits and other liabilities deductible on actual payment	44.49	(5.12)	(6.13)	33.24
Incentive income	(21.41)	(2.93)	-	(24.34)
Others	(0.82)	(0.81)	-	(1.63)
<b>Total</b>	<b>30.05</b>	<b>0.05</b>	<b>(6.13)</b>	<b>23.97</b>

Movement of net deferred tax assets and liabilities for the year ended March 31, 2023 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	8.30	(0.51)	-	7.79
Provision for employee benefits and other liabilities deductible on actual payment	49.72	(5.23)	-	44.49
Incentive income	(20.96)	(0.45)	-	(21.41)
Others	0.17	(0.99)	-	(0.82)
<b>Total</b>	<b>37.23</b>	<b>(7.18)</b>	<b>-</b>	<b>30.05</b>



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**Note 16 - Trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises <sup>(i)</sup>	0.55	0.90
Total outstanding dues of creditors other than micro and small enterprises	336.30	19.38
Sundry creditors	334.30	17.36
Sundry creditors Related Party	-	0.28
Expenses payable	2.55	2.64
<b>Total</b>	<b>336.85</b>	<b>20.28</b>

**(i) Ageing Schedule**

As at 31-03-2024	MSME	Others
Not Due	0.55	336.30
Unbilled	-	-
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>0.55</b>	<b>336.30</b>

As at 31-03-2023	MSME	Others
Not Due	0.90	19.38
Unbilled	-	-
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>0.90</b>	<b>19.38</b>

As at 31-03-2024	Disputed	Undisputed
Not Due	-	336.85
Unbilled	-	-
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>-</b>	<b>336.85</b>

As at 31-03-2023	Disputed	Undisputed
Not Due	-	20.28
Unbilled	-	-
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>-</b>	<b>20.28</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, 2024	As at March 31, 2023
i Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.55	0.90
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 17 - Other current financial liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Other Contractual payable to related parties-current	327.10	442.53
Others	831.81	736.45
Expenses- Employee & Workers payable	20.90	18.80
<b>Total</b>	<b>1,179.81</b>	<b>1,197.78</b>

**Note 18 - Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance received from customers	0.61	0.61
Statutory remittances	36.80	27.67
<b>Total</b>	<b>37.41</b>	<b>28.28</b>

**Note 19 - Tax assets**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>		
Advance income tax and tax deducted at source receivables	315.86	-
<b>Total</b>	<b>315.86</b>	<b>-</b>
<b>Current</b>		
Advance income tax and tax deducted at source receivables	-	18.52
<b>Total</b>	<b>-</b>	<b>18.52</b>



**Note 20 - Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products		
Manufactured goods	5,640.41	6,992.49
Other operating revenues		
GST incentive (refund)	14.15	49.88
Scrap sales	7.94	10.38
<b>Total</b>	<b>5,662.50</b>	<b>7,052.75</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, 2024 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 year ended March 31, 2024	For the year ended March 31, 2023
Revenue by product type:		
Lead	5,640.41	6,992.49
Revenue by geography:		
Domestic	5,640.41	6,992.49
Revenue by time:		
Revenue recognised at point in time	5,640.41	6,992.49

**(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 year ended March 31, 2024
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year	0.61

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

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	0.61	0.61

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

Particulars	For the year ended March 31, 2024
Contract price	5,640.41
Less: discount, rebates, credits etc.	-
Revenue from operations as per Statement of Profit and Loss	5,640.41

**Note 21 - Other income**

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from:		
- bank deposits (at amortised cost)	16.46	19.55
- others	0.25	17.98
- Interest income from Income Tax Refund	41.87	-
Other non-operating income		
Provision for doubtful trade receivables written back	0.08	5.38
Excess Provision written back	417.32	-
<b>Total</b>	<b>475.98</b>	<b>42.91</b>

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**Note 22 - Cost of material consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw materials consumed	5,382.70	6,280.51
<b>Total</b>	<b>5,382.70</b>	<b>6,280.51</b>

**Note 23 - Changes in inventories of finished goods, work-in-progress and traded goods**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening stock</b>		
Finished goods	88.77	300.73
Work-in-progress	137.66	286.53
<b>Less: Closing stock</b>		
Finished goods	20.06	88.77
Work-in-progress	121.66	137.66
<b>Change in inventories of finished goods, work-in-progress and traded goods</b>	<b>84.71</b>	<b>360.83</b>

**Note 24 - Employee benefits expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	192.23	169.10
Contribution to provident and other funds	15.72	12.64
Staff welfare expenses	14.02	11.38
<b>Total</b>	<b>221.97</b>	<b>193.12</b>

**Note 25 - Finance cost**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest costs on</b>		
- Borrowings	4.00	70.46
- Others	0.02	-
Other borrowing costs	-	5.68
<b>Total</b>	<b>4.02</b>	<b>76.14</b>

**Note 26 - Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	27.55	25.19
<b>Total</b>	<b>27.55</b>	<b>25.19</b>

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Note 27 - Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	11.58	9.65
Rates and taxes	2.12	1.22
Legal and professional fees	3.85	8.93
Repairs and maintenance		
- Plant and machinery	7.88	36.25
- Buildings	0.91	5.42
- Others	2.44	3.47
Freight and forwarding	42.97	46.18
Travelling and conveyance	0.51	0.92
Insurance	1.95	2.01
Rent	2.80	2.41
Sales commission	0.05	2.15
Advertising and sales promotion	0.17	0.07
Payment to auditor	0.43	0.46
Allowance for expected credit loss on financial assets (including write off)	-	-
Loss on sale/ discard of property, plant and equipment	0.64	9.60
Bank charges	3.45	1.99
Contractual labour expenses	31.14	27.88
Miscellaneous expenses	21.30	20.24
Consumption of stores and spare parts	25.02	0.07
<b>Total</b>	<b>159.21</b>	<b>178.92</b>

(i) Payment to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor		
- Audit fee	0.40	0.40
- Tax audit	-	-
In other capacity		
- Certification and other matters		
- Reimbursement of out of pocket expenses	0.03	0.06
<b>Total</b>	<b>0.43</b>	<b>0.46</b>

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M/s Gravita Metal Inc.  
Plot No 25-26, SICOP, IND, Area, Kathua-184102 (J&K)  
Summary of the material accounting policies and other explanatory information  
For the period ended March 31, 2024  
(All amounts in Rs. lacs, unless otherwise stated)



Note 28 - Tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
Current tax expense	10.51	-
Short provision for tax relating to prior years	-	-
<b>Total</b>	<b>10.51</b>	<b>-</b>
<b>Deferred tax</b>		
In respect of current period	0.05	(7.17)
<b>Total</b>	<b>0.05</b>	<b>(7.17)</b>
<b>Income tax recognised in Statement of Profit and Loss</b>	<b>10.56</b>	<b>(7.17)</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/ (Loss)	258.32	(19.05)
Statutory income tax rate	34.94%	34.94%
Tax expense at statutory income tax rate	90.27	(6.66)
<b>Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:</b>		
Effect of income that is exempt from taxation	(86.61)	17.43
Effect of expenses that are not deductible in determining taxable profit	5.40	(3.35)
Movement in tax provision relating to prior years	-	-
Others	1.50	(0.25)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>10.56</b>	<b>(7.17)</b>

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**Note 29 - 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 year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to provident funds	12.84	9.75
Employer's contribution to employee state insurance	2.88	2.89

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 year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>Change in benefit obligation</b>				
1. Present value of obligation as at the beginning of the year	5.45	1.56	4.27	1.43
2. Current service cost	3.98	1.90	0.73	0.33
3. Interest cost	0.40	0.12	0.31	0.10
4. Actuarial (gain) / loss	17.55	5.29	0.09	(0.25)
5. Benefits paid	(1.35)	(0.15)	-	(0.05)
<b>Liability recognized in the financial statement</b>	<b>26.03</b>	<b>8.71</b>	<b>3.45</b>	<b>1.56</b>
<b>Main actuarial assumption</b>				
Discount rate	7.25%	7.25%	7.38%	7.38%
Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	17.63	17.63	18.80	18.80
Average remaining working lives of employees with Mortality and Withdrawal (years)	14.28	14.28	15.34	15.34
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 year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 year	1.67	0.85	0.11	0.10
1 to 2 year	1.61	0.41	0.10	0.03
2 to 3 year	1.11	0.29	0.10	0.03
3 to 4 year	0.78	0.26	0.10	0.03
4 to 5 year	1.18	0.24	0.09	0.02
5 to 6 year	1.07	0.43	0.09	0.02
6 year onwards	18.61	6.23	4.87	1.33

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Cost for the period				
1. Current service cost	3.98	1.90	0.78	0.33
2. Net interest cost	0.40	0.12	0.31	0.10
3. Actuarial loss	-	5.29	-	(0.29)
<b>Total amount recognised in Statement of Profit or Loss</b>	<b>4.38</b>	<b>7.31</b>	<b>1.09</b>	<b>0.14</b>
Re-measurements recognised in Other comprehensive income				
- Effect of changes in financial assumptions	0.36	-	0.11	-
- Effect of experience adjustments	17.20	-	(0.21)	-
<b>Total re-measurements included in Other comprehensive income</b>	<b>17.55</b>	<b>-</b>	<b>(0.09)</b>	<b>-</b>
<b>Total amount recognised in statement of profit and loss</b>	<b>(13.17)</b>	<b>7.31</b>	<b>1.18</b>	<b>0.14</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 year ended March 31, 2024		For the year ended March 31, 2023	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Present value of Obligation at the end of the year	26.03	8.71	5.45	1.56
(a) Impact of the change in discount rate				
(i) Impact due to increase of 0.50%	(1.33)	(0.50)	(0.34)	(0.10)
(ii) Impact due to decrease of 0.50%	1.45	0.55	0.37	0.11
(b) Impact of the change in salary increase				
(i) Impact due to increase of 0.50%	1.46	0.55	0.37	0.11
(ii) Impact due to decrease of 0.50%	(1.35)	(0.51)	(0.34)	(0.10)

#### Note 30 - 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 March 31, 2024	As at March 31, 2023
<b>Financial assets measured at amortised cost</b>			
Loans	6	-	50.00
Trade receivables	9	198.61	586.83
Cash and cash equivalents	10	5.64	1.20
Other bank balances	11	115.97	102.51
<b>Total financial assets</b>		<b>320.22</b>	<b>740.54</b>
<b>Financial liabilities measured at amortised cost</b>			
Borrowings	13	8.17	254.61
Trade payables	16	336.85	20.28
Other financial liabilities	17	1,179.81	1,197.78
<b>Total financial liabilities</b>		<b>1,524.83</b>	<b>1,472.67</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 31 - 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, 2024	As at March 31, 2023
Variable rate borrowing	-	244.62
Fixed rate borrowing	8.17	9.99
<b>Total borrowings</b>	<b>8.17</b>	<b>254.61</b>

#### Sensitivity

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

Particulars	As at March 31, 2024	As at March 31, 2023
Interest rate - increase by 100 basis points (100 bps)*	-	2.45
Interest rate - decrease by 100 basis points (100 bps)*	-	(2.45)

\* 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, 2024	As at March 31, 2023
Amount not yet due		
Between one to six month overdue	198.61	507.30
Greater than six month overdue	-	79.53
<b>Total</b>	<b>198.61</b>	<b>586.83</b>



**(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, 2024	As at March 31, 2023
Total committed working capital limits from Banks	-	900.00
Utilized working capital limit	-	244.62
Unutilized working capital limit	-	655.38

**(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, 2024</b>				
<b>Non-derivatives</b>				-
Non-current borrowing	-	6.93	-	6.93
'Short term borrowings	1.24	-	-	1.24
Trade payable	336.85	-	-	336.85
Other financial liabilities	1,179.81	-	-	1,179.81
<b>Total</b>	<b>1,517.90</b>	<b>6.93</b>	<b>-</b>	<b>1,524.83</b>
<b>As at March 31, 2023</b>				
<b>Non-derivatives</b>				-
Non-current borrowing	-	8.85	-	8.85
'Short term borrowings	245.76	-	-	245.76
Trade payable	20.28	-	-	20.28
Other financial liabilities	1,197.78	-	-	1,197.78
<b>Total</b>	<b>1,463.82</b>	<b>8.85</b>	<b>-</b>	<b>1,472.67</b>

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

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M/s Gravita Metal Inc.  
 Plot No 25-26, SICOP, IND, Area, Kathua-184102 (J&K)  
 Summary of the material accounting policies and other explanatory information  
 For the period ended March 31, 2024  
 (All amounts in Rs. lacs, unless otherwise stated)



Note 32 - 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, 2024	March 31, 2023
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:

Gravita Infotech Recycling Infotech LLP
--

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sales</b>		
Partner		
Gravita India Limited	252.46	618.28
<b>Purchases</b>		
Partner		
Gravita India Limited	61.29	559.44
<b>Balance Outstanding</b>		
<b>Gravita India Limited</b>		
Trade Payable (on behalf of the Company)	5,508.93	4,537.41
Other Contractual payable to related parties	223.62	360.26
Sundry Creditors RP	-	0.27
Trade Receivable-RP	42.92	-
<b>Gravita Infotech Limited</b>		
Contractual Payable to RP	103.48	92.73
<b>Profit distribution</b>		
Partner		
Gravita India Limited	224.52	(11.29)
Gravita Infotech Limited	11.82	(0.59)
<b>Expenses reimbursed</b>		
Partner		
Gravita India Limited	1.34	1.20
<b>Capital Balances (Fixed Capital)</b>		
Partner		
Gravita India Limited	95.00	95.00
Gravita Infotech Limited	5.00	5.00

Note 33 - The figures of the previous year have been regrouped/ reclassified to make them comparable with those of current year wherever considered necessary.

Note 34 - Other statutory information

- Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".
- The Firm has not been declared as 'willful defaulter' by any bank or financial institution.
- The Firm has not traded or invested in crypto currency or virtual currency, during the current and the preceding financial year.
- The Firm does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- The Firm does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and preceding year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

In terms of our report attached.  
 For R Sogani & Associates  
 Chartered Accountants  
 Firm's Registration No.: 018755C

Bharat Sonkhya  
 Partner

Membership No: 403023



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: 29 April, 2024

Rajat Agrawal  
 DIN: 00855284  
 Managing Director  
 of Partner Company  
 Gravita India Limited

Place: Jaipur  
 Date: 29 April, 2024

Place: Jaipur  
 Date: 29 April, 2024