



**Swarnkar & Co**

Chartered Accountants

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**Independent Auditor's Report  
Prepared for Consolidation Purposes**

**From:** Swarnkar & Co.

**Subject:** Component Audit of Recyclers Mozambique LDA for the year ended 31<sup>st</sup> March, 2023

**To:** R Sogani & Associates, Jaipur, India

We have audited, for the purpose of your audit of the consolidated financial statements of **Gravita Global PTE Limited**, the accompanying Balance Sheet of **Recyclers Mozambique LDA** as at 31<sup>st</sup> March 2023, and Profit & Loss A/c and other reconciliations and information (all collectively referred to as the Fit For Consolidation (FFC) Accounts)

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

Management is responsible for the preparation and presentation of the FFC Accounts in accordance with accounting policies generally accepted in India. 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. The FFC Accounts has been prepared solely to enable Gravita India Limited to prepare its consolidated financial statements.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the FFC Accounts are 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 entity'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



# Swarnkar & Co

## Chartered Accountants

effectiveness of the entity'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 I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying FFC Accounts for **Recyclers Mozambique LDA** as of **31<sup>st</sup> March, 2023** and for the year then ended has been prepared, in all material respects, in accordance with accounting principles generally accepted in India.

### Restriction on Use and Distribution

These FFC Accounts have been prepared for purposes of providing information to **Gravita Globle Pte Ltd.** to enable it to prepare the consolidated financial statements of the Group. As a result, these FFC Accounts are not a complete set of financial statements of Gravita Global Pte Ltd. in accordance with the accounting principles generally accepted in India and is not intended to give a true and fair view of the financial position of **Recyclers Mozambique LDA** as of *31<sup>st</sup> March 2023*, and of its financial performance, in accordance with the accounting principles generally accepted in India. The financial information may, therefore, not be suitable for another purpose.

**For Swarnkar & Co.**

**Chartered Accountants**

**Firm Reg. No.:- 025928C**



**Deepak Kumar Swarnkar**

**(Proprietor)**

**M. No:-424940**

**UDIN: 23424940BGTPIB9659**

**Date: 27-04-2023**

Recyclers Mozambique LDA  
 Balance sheet As at Mar 31, 2023  
 (All amounts in Rs. Lacs, unless otherwise stated)

Particulars	Note	As at Mar 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>Non - current assets</b>			
Property, Plant and Equipment	2	278.52	214.46
Capital work-in-progress		28.93	93.05
		<b>308.99</b>	<b>310.60</b>
<b>Current assets</b>			
Inventories	3	979.02	1,708.11
Financial Assets			
Trade receivables	4	2,594.85	338.12
Cash and cash equivalents	5	17.40	69.98
(vi) Others		1.16	4.13
Other current assets	6(a)	271.85	173.52
		<b>3,864.28</b>	<b>2,293.86</b>
<b>Total Assets</b>		<b>4,173.27</b>	<b>2,604.46</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	6.50	6.50
Other equity	8	3,416.28	1,219.27
Equity attributable to owners of the Company		<b>3,422.78</b>	<b>1,225.77</b>
<b>Liabilities</b>			
<b>Non - current liabilities</b>			
Financial Liabilities			
Borrowings	9	1.09	131.30
Lease Liabilities		5.98	5.52
		<b>10.09</b>	<b>136.82</b>
<b>Current liabilities</b>			
Financial Liabilities			
(i) Borrowings	7(b)	650.69	199.73
Trade payables	10	31.97	915.61
(iv) Other financial liabilities	11	57.17	20.27
Other current liabilities	12	0.57	106.26
		<b>740.40</b>	<b>1,241.86</b>
		<b>750.49</b>	<b>1,378.68</b>
<b>Total Equity and Liabilities</b>		<b>4,173.27</b>	<b>2,604.46</b>

For Swarnkar & Co  
 Chartered Accountants  
 Firm Reg. No.: 025928C

Deepak Kumar Swarnkar  
 Proprietor  
 M.No. 424940  
 Place: Jaipur  
 Date: 27-04-2023




For and on behalf of the Board of Directors

*Rajat Sharma*  
 Rajat Sharma  
 (Director)

Recyclers Mozambique LDA  
Statement of profit and loss For the year ended Mar 31, 2023  
(All amounts in Rs. Lacs, unless otherwise stated)


Particulars	Note	For the year ended	For the year ended
		Mar 31, 2023	March 31, 2022
I Revenue from operations	13	10,354.90	3,704.49
II Other income	13	4.38	1.11
III Total income		<b>10,359.28</b>	<b>3,705.61</b>
IV Expenses:			
(a) Cost of materials consumed	14	6,478.23	3,714.50
(b) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	15	513.55	(1,139.40)
(c) Employee benefits expense	16	233.10	57.62
(d) Finance costs	17	32.04	17.99
(e) Depreciation and amortisation expense	2	67.92	27.03
(f) Other expenses	18	896.37	396.52
Total expenses (IV)		<b>8,221.21</b>	<b>3,074.27</b>
V Share of profit of associates			
VI Profit before tax (III - IV + V)		2,138.07	631.34
VII Tax expense:			
VIII Profit for the year (VI - VII)		<b>2,138.07</b>	<b>631.34</b>
IX Other comprehensive income (OCI)			
(a) Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		58.94	46.57
Income tax relating to items that may be reclassified to profit or loss			
Other comprehensive income		<b>58.94</b>	<b>46.57</b>
X Total comprehensive income for the year (VIII + IX)		<b>2,197.01</b>	<b>677.91</b>

For Swarnkar & Co  
Chartered Accountants  
Firm Reg. No.: 025928C

  
Deepak Kumar Swarnkar  
Proprietor  
M.No. 424940  
Place: Jaipur  
Date: 27-04-2023



For and on behalf of the Board of Directors

  
Rajat Sharma  
(Director)



Recyclers Mozambique LDA  
Notes forming part of the financial statements  
(All amounts in Rs. Lacs, unless otherwise stated)

Note 2 - Property, Plant and Equipment  
As at March 31, 2023 and March 31, 2022

Particulars	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
<b>Cost</b>							
As at March 31, 2021	8.13	60.89	0.22	-	-	-	69.24
Additions during the year	-	-	-	-	0.58	15.99	16.57
Translation difference	0.93	186.25	2.59	-	0.00	0.04	189.81
As at March 31, 2022	9.06	247.14	2.81	-	0.58	16.03	275.62
Additions during the year	4.36	106.02	0.68	0.60	1.30	-	112.98
Disposals/ Adjustments	-	(0.00)	-	-	-	-	(0.00)
Translation difference	0.86	23.18	0.30	0.01	0.08	1.34	25.77
As at March 31, 2023	14.28	374.43	5.70	0.62	1.97	17.38	414.36
<b>Depreciation</b>							
As at March 31, 2021	0.61	22.05	0.09	-	-	-	22.75
Charge for the year	0.37	13.76	0.05	-	0.01	0.43	14.62
Deletions	-	-	-	-	-	-	-
Translation difference	0.52	21.15	(0.01)	-	0.00	0.00	21.65
As at March 31, 2022	1.50	56.96	0.13	-	0.01	0.43	59.02
Charge for the year	0.50	62.29	0.78	0.08	0.08	4.25	67.98
Translation difference	0.14	6.22	2.36	0.00	0.00	0.13	8.85
As at March 31, 2023	2.13	125.47	3.26	0.08	0.09	4.81	135.84
<b>Net block</b>							
As at March 31, 2023	12.15	248.96	2.43	0.54	1.87	12.57	278.52
As at March 31, 2022	7.56	190.18	2.68	-	0.58	15.60	216.60



Recyclers Mozambique LDA  
Notes forming part of the financial statements  
(All amounts in Rs. Lacs, unless otherwise stated)

Note 3 - Inventories

Particulars	As at Mar 31, 2023	As at March 31, 2022
(a) Raw materials and bought out components	72.96	283.52
(b) Work-in-progress	415.79	47.99
(c) Finished goods (other than those acquired for trading)	70.91	271.33
Goods-in-transit	256.84	610.01
(d) Stock-in-trade (in respect of goods acquired for trading)	-	327.76
(e) Stores and spares	65.04	75.78
(f) Consumables	97.48	91.71
<b>Total</b>	<b>979.02</b>	<b>1,708.11</b>

Note 4 - Trade receivables

Particulars	As at Mar 31, 2023	As at March 31, 2022
Unsecured, considered good	2,594.85	338.12
<b>Total</b>	<b>2,594.85</b>	<b>338.12</b>
Current	2,594.85	338.12
Non-current	-	-

Note 5 - Cash and cash equivalents

Particulars	As at Mar 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Balances with banks		
-on current accounts	14.87	69.08
Cash on hand	2.53	0.90
<b>Total</b>	<b>17.40</b>	<b>69.98</b>

Note 6 (a)- Other assets

Particulars	As at Mar 31, 2023	As at March 31, 2021
Unsecured, considered good		
<b>Current</b>		
Advances to related parties	220.51	
Advances to vendors	51.14	172.76
Prepaid expenses-current	0.20	0.76
<b>Total</b>	<b>271.85</b>	<b>173.52</b>



Recyclers Mozambique LDA  
Notes forming part of the financial statements  
(All amounts in Rs. Lacs, unless otherwise stated)

Note 7 - Equity share capital

Particulars	As at Mar 31, 2023	As at March 31, 2022
Authorised Equity shares	6.11 MZN	6.11 MZN
	6.11 MZN	6.11 MZN
Issued, subscribed and fully paid up Equity shares	6.50	6.50
<b>Total</b>	<b>6.50</b>	<b>6.50</b>

Note 9 - Non - current financial liabilities - Borrowings (at amortised cost)

Particulars	As at Mar 31, 2023	As at March 31, 2022
Unsecured Term loan		
-From other party	-	-
-From related party	1.09	131.30
<b>Total</b>	<b>1.09</b>	<b>131.30</b>

Note 10 - Trade payables

Particulars	As at Mar 31, 2023	As at March 31, 2022
Outstanding dues to parties other than Micro and Small enterprises	31.97	915.61
Sundry creditors	8.50	0.91
Sundry creditors Related Party	13.26	748.80
Expenses payable	10.21	165.89
	<b>31.97</b>	<b>915.61</b>
Current	<b>31.97</b>	<b>915.61</b>
Non-Current	-	-
<b>Total</b>	<b>31.97</b>	<b>915.61</b>

Note 11 - Other financial liabilities

Particulars	As at Mar 31, 2023	As at March 31, 2022
Current		
Other Contractual payable to related parties-current	21.73	19.56
Expenses- Employee & Workers payable	35.44	0.71
	<b>57.17</b>	<b>20.27</b>





Recyclers Mozambique LDA  
Notes forming part of the financial statements  
(All amounts in Rs. Lacs, unless otherwise stated)  
**Note 12 - Other Liabilities**

Particulars	As at Mar 31, 2023	As at March 31, 2022
<b>Current</b>		
Advance received from customers	-	85.20
Advance received from Customer-related party	0.57	21.06
<b>Total</b>	<b>0.57</b>	<b>106.26</b>

**Note 13 - Revenue from operations**

Particulars	For the year ended Mar 31, 2023	For the year ended March 31, 2022
Sale of products (including excise duty)	7,413.57	1,388.09
Manufactured goods	2,941.33	2,316.41
<b>Revenue from operations</b>	<b>10,354.90</b>	<b>3,704.49</b>

**Note 14 - Cost of material consumed**

Particulars	For the year ended	For the year ended
	Mar 31, 2023	March 31, 2022
Raw materials and bought out components consumed	6,478.23	3,714.50
<b>Total</b>	<b>6,478.23</b>	<b>3,714.50</b>

**Note 15 - Changes in inventory of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended Mar 31, 2023	For the year ended March 31, 2022
<b>Opening stock</b>		
Finished goods	881.35	101.20
Work-in-progress	47.99	6.40
Stock-in-trade	327.76	10.10
<b>Less: Closing stock</b>		
Finished goods	327.75	881.35
Work-in-progress	415.79	47.99
Stock-in-trade	-	327.76
<b>Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade</b>	<b>513.55</b>	<b>(1,139.40)</b>

**Note 16 - Employee benefits expense**

Particulars	For the year ended Mar 31, 2023	For the year ended March 31, 2022
Salaries and wages	210.29	51.01
Contribution to provident and other funds	13.76	2.57
Staff welfare expenses	9.05	4.04
<b>Total</b>	<b>233.10</b>	<b>57.62</b>






Recyclers Mozambique LDA  
Notes forming part of the financial statements  
(All amounts in Rs. Lacs, unless otherwise stated)  
Note 17 - Finance cost

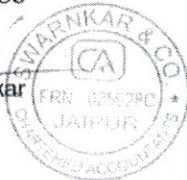
Particulars	For the year ended Mar 31, 2023	For the year ended March 31, 2022
Interest costs on		
- Borrowings	32.04	17.11
Interest cost on lease liabilities	-	0.88
<b>Total</b>	<b>32.04</b>	<b>17.99</b>

Note 18 - Other expenses


Particulars	For the year ended Mar 31, 2023	For the year ended March 31, 2022
Power and fuel	0.07	-
Rates and taxes	3.43	0.10
Legal and professional	21.89	1.43
Repairs and maintenance		
-Plant & machinery	37.83	24.05
-Buildings	1.96	0.27
-Others	4.19	0.74
Freight and forwarding	615.99	307.16
Travelling and conveyance	9.72	3.26
Insurance	0.85	0.25
Rent	50.31	34.59
Sales commission	7.00	4.75
Advertising and sales promotion	0.31	0.47
Communication	0.42	0.11
Training and recruitment	-	0.22
Printing and stationery	0.70	0.08
Donations and contributions	0.00	-
Payment to auditors	6.10	5.39
Net loss on foreign currency transactions and translation	109.61	2.92
Loss on property plant and equipment discarded/scrap/written off	0.00	-
Bank charges	16.56	6.29
Vehicle hire expenses	-	0.23
Vehicle running expenses	0.09	0.22
Miscellaneous expenses	9.35	4.00
<b>Total</b>	<b>896.37</b>	<b>396.52</b>

For Swarnkar & Co  
Chartered Accountants  
Firm Reg. No.: 025928C

  
Deepak Kumar Swarnkar  
Proprietor  
M.No. 424940  
Place: Jaipur  
Date: 27-04-2023



For and on behalf of the Board of Directors

  
Rajat Sharma  
(Director)

Recyclers Mozambique LDA  
Statement of changes in equity for the period ended Mar 31, 2023  
(All amounts in Rs. Lacs, unless otherwise stated)

Note 8-Other Equity

Particulars	Other equity			Total
	Reserves and surplus	Items of OCI	Attributable to owners of the parent	
	Surplus in Statement of Profit and Loss	Foreign currency translation reserve		
Balance as at March 31, 2021	519.07	22.28	541.35	541.35
1 Profit for the year	631.34	-	631.34	631.34
2 Other comprehensive income for the year, net of income tax	-	46.57	46.57	46.57
Total comprehensive income for the year	631.34	46.57	677.91	677.91
Balance as at March 31, 2022	1,150.41	68.85	1,219.25	1,219.26
1 Profit for the year	2,138.06	-	2,138.06	2,138.06
2 Other comprehensive income for the year, net of income tax	-	58.94	58.94	58.94
Total comprehensive income for the year	2,138.06	58.94	2,197.01	2,197.01
Balance as at Mar 31, 2023	3,288.47	127.80	3,416.28	3,416.28

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

For Swarnkar & Co  
Chartered Accountants  
Firm Reg. No.: 025928C

Deepak Kumar Swarnkar  
Proprietor  
M.No. 424940  
Place: Jaipur  
Date: 27-04-2023



For and on behalf of the Board of Directors

*Rajat Sharma*  
Rajat Sharma  
(Director)

Date: 27-04-2023