



GRAVITA
MOZAMBIQUE LDA



GRAVITA MOZAMBIQUE LIMITADA

Annual Report 2014-15


GRAVITA MOZAMBIQUE LIMITADA
FINANCIAL HIGHLIGHTS

Particulars	As At 31.03.2015	As At 31.03.2014
TURNOVER	146,128,913	129,311,228
NET PROFIT BEFORE TAX	6,971,316	3,649,814
NET PROFIT AFTER TAX	6,971,316	3,649,814
NET CASH FLOW FROM OPERATING ACTIVITIES	16,877,086	4,612,648
SHARE CAPITAL	7,905,000	7,905,000
RESERVE & SURPLUS	11,017,206	4,045,890
CAPITAL EXPENDITURE	(1,831,415)	(291,977)

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GRAVITA MOZAMBIQUE LIMITADA

AUDITOR'S REPORT

TO THE MEMBERS OF GRAVITA MOZAMBIQUE Limitada

- 1 We have audited the attached Balance Sheet of GRAVITA MOZAMBIQUE LDA. as at 31st March 2015 and the Profit and Loss Account of the Company and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Companies Director's. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the applicable Auditing Standards. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Director's, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion
- 3 We hereby report as under:
 - a We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the applicable Accounting Standards.
 - e On the basis of the representations received from the directors of the Company as on 16th April, 2015 and taken on record by the Board of Directors of the Company, we report that none of the directors are disqualified as on 31st March, 2015 from being appointed as a director.
 - f In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes to accounts give a true and fair view and in conformity with the generally accepted accounting principles:
 - i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015
 - (ii) In case of the Profit and loss account, of the Profit for the year ended on that date and
 - (iii) In case of cash flow statement, of the cash flow of the company for the year ended on that date

Significant Accounting Policies & Notes to Accounts
As per our report of even date attached
CC & SC - Cachaco Contas & Servicos de Consultoria, Lda
(CHARTERED ACCOUNTANTS & CONSULTANTS)
Maputo (Mozambique)
Place : Maputo
Dated : 5th May 2015





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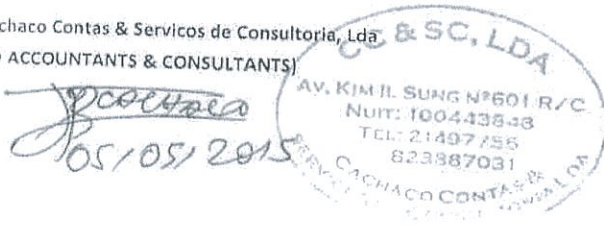


GRAVITA MOZAMBIQUE LDA.
BALANCE SHEET AS AT 31st March 2015

PARTICULARS	Notes	Amount in MZN	
		As at 31st March 2015	As at 31st March 2014
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	7,905,000	7,905,000
Reserves & Surplus	2	11,017,206	4,045,890
		<u>18,922,206</u>	<u>11,950,890</u>
Non-Current Liabilities			
Long Term Borrowings	3	-	14,454,250
			<u>14,454,250</u>
Current Liabilities			
Trade Payables	4	1,962,429	6,428,044
Other Current Liabilities	5	10,399,402	14,423,912
Short Term Provisions	6	105,798	78,993
		<u>12,467,629</u>	<u>20,930,948</u>
TOTAL		<u>31,389,835</u>	<u>47,336,088</u>
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	7	7,483,896	11,405,313
Intangible Assets		-	-
Capital Work-in-Progress		-	-
Long Term Loans and Advances	8	551,735	726,735
		<u>8,035,631</u>	<u>12,132,047</u>
Current Assets			
Inventories	9	17,844,626	12,979,891
Trade Receivables	10	1,104,570	17,861,260
Cash and Bank Balances	11	3,669,173	2,413,277
Short Term Loans and Advances	12	556,690	1,771,707
Other Current Assets	13	179,145	177,907
		<u>23,354,204</u>	<u>35,204,041</u>
TOTAL		<u>31,389,835</u>	<u>47,336,088</u>

Significant Accounting Policies & Notes to Accounts
As per our report of even date attached

CC & SC - Cachaco Contas & Servicos de Consultoria, Lda
(CHARTERED ACCOUNTANTS & CONSULTANTS)



Dated:
Place:

For and on behalf of Board
For Gravita Mozambique Lda.

B. P...
Director

Gravita Mozambique Lda. Notes on Financial Statements for the Period 1st April 2014 to 31st March 2015



(Amount in MZN)

	As At 31st March 2015	As At 31st March 2014
1. SHARE CAPITAL		
Authorized Equity Share Capital		
7905000 Equity Shares of 1 MZN Each fully paid up	7,905,000	7,905,000
Issued, Subscribed & Paid up Capital		
7905000 Equity Shares of 1 MZN Each fully paid up	7,905,000	7,905,000
	7,905,000	7,905,000

1.1 Reconciliation of the shares outstanding is set out below:

	No. of Shares As At 31st March 2015	Amount As At 31st March 2015	No. of Shares As At 31st March 2014	Amount As At 31st March 2014
Equity shares				
At the beginning of the Year	7,905,000	7,905,000	7,905,000	7,905,000
Issued during the year				
Equity Shares at the end of the year	7,905,000	7,905,000	7,905,000	7,905,000

1.2 Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a face value of MZN 1/- per share (MZN 1/- per share). Each equity share holder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

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

Holding Company	Gravita India Ltd.	India	96.38%
Step Holding Company	Gravita Exim Ltd.	India	3.62%

1.4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:- NIL

1.5 Details of shareholders holding more than 5% shares in the company:-

Shareholders Name	As At 31st March 2015		As At 31st March 2014	
	No. of share (MZN 1/- each fully paid up)	% holding	No. of share (MZN 1/- each fully paid up)	% holding
Gravita India Ltd.	7,618,800	96.38%	7,618,800	96.38%

2. RESERVES AND SURPLUS

	As At 31st March 2015	As At 31st March 2014
Surplus/(deficit) in the statement of profit and loss		
Opening balance		
Profit for the year	4,045,890	396,075
Other Reserve (Depreciation Reserve)	6,971,316	3,649,614
Less: Appropriations		
equity dividend		
Unclaimed Dividend		
Net Surplus		
FCTR	11,017,206	4,045,890
Total reserves and surplus	11,017,206	4,045,890

Gravita Mozambique Lda. Notes on Financial Statements for the Period 1st April 2014 to 31st March 2015

Debts dues from related parties		
To the extent secured, considered good		16,549,861
Others, considered good		-
Doubtful		-
Total (B)		16,549,861
Total (A + B)	1,104,570	17,861,260
11. CASH AND CASH EQUIVALENT	As At	As At
Balances with banks:	31st March 2015	31st March 2014
- current accounts	3,457,465	2,313,195
Balances held as margin money with bank		
Cash on hand	211,708	100,082
Remittance in transit		
	3,669,173	2,413,277
12. SHORT TERM LOANS AND ADVANCES	As At	As At
	31st March 2015	31st March 2014
12.1 Security Deposit		
Unsecured and Considered Good	184,948	7,365
Total (A)	184,948	7,365
12.2 Advances recoverable in cash or in kind		
Advances given to vendor's		
Unsecured and Considered Good	131,573	226,874
Total (C)	131,573	226,874
12.3 Loans and advances to employees including Imprest		
	118,354	37,308
Total (D)	118,354	37,308
12.4 Other loans and advances		
Advance income-tax (net of provision for taxation)		
Prepaid expenses	121,815	45,067
Balances with statutory/government authorities		1,455,093
Other		
Total (D)	121,815	1,500,160
Total (A+ B + C + D)	556,690	1,771,707
13. OTHER CURRENT ASSETS	As At	As At
	31st March 2015	31st March 2014
Deposits with Original Maturity for more than 3 months but less than 12		
Deposits with Original Maturity for more than 12 months	175,000	175,000
Interest Accrued on Fixed Deposits	4,145	2,907
	179,145	177,907
14. REVENUE FROM OPERATIONS	01.04.14 to 31.03.15	01.04.13 to 31.03.14
14.1 Revenue from Sales of Products		
Manufactured Goods	146,128,913	129,311,228
Stock-In-Trade		
	146,128,913	129,311,228
Less: Excise duty		
	146,128,913	129,311,228
14.2 Other Operating Revenue		
Miscellaneous Income		
Revenue from operations	146,128,913	129,311,228

Gravita Mozambique Lda. Notes on Financial Statements for the Period 1st April 2014 to 31st March 2015

20. FINANCE COSTS	01.04.14 to 31.03.15	01.04.13 to 31.03.14
Interest Expenses:		
- Borrowings	(2,455,165)	1,753,110
- Others *	-	11,875
other borrowing costs	-	-
Net loss on foreign currency transactions and translations	3,114,379	640,784
	<u>659,214</u>	<u>2,405,768</u>
21. OTHERS EXPENSES	01.04.14 to 31.03.15	01.04.13 to 31.03.14
Power and fuel	1,065,747	689,881
Rent	4,178,313	3,962,759
Repairs and Maintenance		
Plant and Machinery	2,064,373	798,957
Buildings	312,012	152,035
Others	31,180	102,438
Insurance	70,559	72,560
Freight and Forwarding	7,353,310	5,540,821
Travelling and conveyance	2,215,262	3,326,261
Net loss on foreign currency transactions	-	-
Net loss on foreign currency translations	-	(885,708)
Legal and Professional	753,438	473,267
Rebate & Discount	5,043,147	482,437
Wages to Contractors	4,442	-
Advertising and Sales Promotion	10,522	177,846
Communication	420,247	468,806
Loss from Hedging	-	-
Training & Recruitment	-	101,288
Printing and stationery	54,887	35,601
Donation	500	-
Payment to auditor:		
Statutory & Tax Audit	-	3,000
Limited review of unaudited financial results	-	-
Certification and other services	-	-
Loss on sale of fixed assets	426,413	-
Provision for diminution of trade investments	-	-
Corporate Social Responsibility	-	-
Miscellaneous	1,918,046	316,828
	<u>25,922,396</u>	<u>15,819,076</u>



GRAVITA MOZAMBIQUE LIMITADA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2015**

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

These accounts have been prepared under the historical cost convention.

2. Depreciation

Depreciation has been charged on a straight-line basis and at rates calculated to reduce the assets value to nil at the expiration of their useful commercial lives.

The rates applicable are as follows:

Motor Vehicle	25%
Factory Building	10%
Furniture & Fittings	10%
Plant & Machinery	10%
Computer Accessories	20%
Other Fixed Assets	12.5%
Tools and Tackles	25%
Security Systems	16.66%
Internet Modem	25%
Mobiles	33.33%
Iron (office equipment)	33.33%
Fans, Television Set, Water Purifier	20%

As The Company is member of CPI, so depreciation is charged at the twice of the rates mentioned above in previous years

3. Stocks

Stocks are valued at lower of cost and net realizable value.

4. Foreign Currency

Transactions denominated in foreign currencies have been translated into MZN at the rates of exchange ruling at the date of transaction. Assets and liabilities in the foreign currencies are converted into MZN at the rates of exchange ruling at the financial year end. All differences arising from changes in the exchange rate are dealt with through the profit and loss account.

As per our Report of even date attached

for & on behalf of Board
For Gravita Mozambique Lda


Director

ANNUAL REPORT 2014-15

CC & SC - Cachaco Contas & Servicos de Consultoria,
Lda
(CHARTERED ACCOUNTANTS & CONSULTANTS)
Maputo (Mozambique)
Place : Maputo
Dated : 5th May 2015

