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GRAVITA MOZAMBIQUE LIMITADA

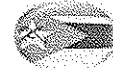
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GRAVITA MOZAMBIQUE LIMITADA

COMPANY INFORMATION

DIRECTORS

VIJENDRA SINGH TANWAR

REGISTERED OFFICE

Gravita Mozambique Limitada  
Av. Samora Machel No 320  
Near to Shoprite  
Matola City  
Maputo  
Mozambique

BANKERS

Banco Unico S.A  
Av. Da Unidade Afrucana , Loja No-31  
Matola , Mozambique

Barclay Bank Mozambique SA  
Agencia 25 De Setembro  
Av.25 De Setembro 1212  
Maputo

AUDITORS

JORGE CACHACO, Director Geral  
CC & SC - Cachaco Contas & Servicos de Consultoria, Lda  
Av. Kim Il Sung No 601/20  
Maputo - Mozambique  
Tel : (+258) 21497756  
Cel : (+258) 823887031

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GRAVITA MOZAMBIQUE LIMITADA

FINANCIAL HIGHLIGHTS

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Particulars	(Amount in MZN)	
	As At 31.03.2016	As At 31.03.2015
TURNOVER	215,221,763	146,128,913
NET PROFIT BEFORE TAX	33,138,008	6,971,316
NET PROFIT AFTER TAX	33,138,008	6,971,316
NET CASH FLOW FROM OPERATING ACTIVITIES	9,260,513	16,877,086
SHARE CAPITAL	7,905,000	7,905,000
RESERVE & SURPLUS	44,155,213	11,017,206
CAPITAL EXPENDITURE	(1,305,345)	(291,977)





GRAVITA MOZAMBIQUE LIMITADA

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st MARCH, 2016  
REPORT OF THE BOARD OF DIRECTORS

Financial Statements

The Board of Directors has the pleasure to submit their Sixth report on the company together with the audited financial statements for the period ended 31st March, 2016.

Statement of Directors Responsibilities

The directors are responsible for the preparation of the financial statements for the financial year, which give a true and fair view of the state of affairs of the company and the profit/loss and cash flows for the year. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are reasonable and prudent and followed the Mozambique National Accounting Standards.

Principal Activities

The company is engaged in recycling of lead battery, Lead scrap for producing lead ingots, PP chips, etc. and Trading of Aluminum Scrap.

Financial Results

(Amount in MZN)

Particulars	Year Ended 31.3.2016	Year Ended 31.3.2015
Gross Revenues	215,221,763	146,128,913
Profit / (Loss) before Interest, Depreciation and Tax	38,037,041	12,893,887
Financial Expenses	-	659,214
Depreciation	4,899,033	5,263,357
(Loss)/ Profit Before Tax	33,138,008	6,971,316
W/Off / Extra Ordinary Items	-	-
Taxation for the year	-	-
(Loss)/ Profit After Tax	33,138,008	6,971,316
Prior Period Adjustments	-	-
Prior Period Depreciation	-	-
Profit/(Loss) brought forward from previous year	11,017,205	4,045,890
Balance carried forward	44,155,213	11,017,205

Stated Capital

As per the Investment Permit and principal Registration Certificate business License, it has a registered Authorized Capital of MZN 7905000 of MZN 1 each fully paid up.

Dividend

The Directors do not recommend the payment of dividend for the period ended 31st March, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(Director)

Dated: 25th April 2016

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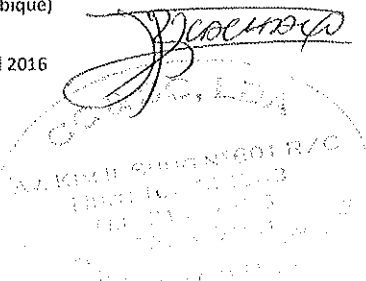
GRAVITA MOZAMBIQUE LIMITADA

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 2016 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 31st March, 2016 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, 2016 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, 2016
(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: 25th April 2016



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GRAVITA MOZAMBIQUE LIMITADA

BALANCE SHEET AS ON 31ST MARCH 2016

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Particulars	Schedule	(Amount in MZN)	
		As at 31-03-2016	As at 31-03-2015
<b>SOURCES OF FUND</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share Capital	1	7,905,000	7,905,000
Share Application Money			
Reserve & Surplus	2	44,155,213	11,017,206
Long-term borrowings		-	10,380,000
<b>TOTAL</b>		<b>52,060,213</b>	<b>29,302,206</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	3	30,407,081	29,101,736
Less: Depreciation		26,516,872	23,617,839
Net Block		3,890,210	7,483,897
Long term loans and advances		557,735	551,735
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories		17,350,020	17,844,626
Sundry Debtors		21,318,918	1,104,570
Cash & Bank Balances		11,618,942	3,869,179
Loans & Advances		2,432,304	735,835
		52,719,584	23,354,203
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Trade Payables	5	4,894,806	1,962,429
Current Liabilities & Provisions		212,509	125,200
		5,107,315	2,087,629
<b>NET CURRENT ASSETS</b>			
Long-term borrowings		47,612,269	21,266,574
<b>MISC. ASSETS (PRE OPERATIVE EXPENSES)</b>			
		-	-
<b>TOTAL</b>		<b>52,060,213</b>	<b>29,302,206</b>

Significant Accounting Policies & Notes to Accounts  
 As per our report of even date attached  
 CC & SC - Cochaco Contas & Servicos de Consultoria, Lda  
 (CHARTERED ACCOUNTANTS & CONSULTANTS)  
 Maputo (Mozambique)  
 Place : Maputo  
 Dated: 25th April 2016

For & on behalf of Board  
 For Gravita Mozambique Lda  
  
 Director

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CC & SC, LDA  
 AV. KIM H. ...



GRAVITA MOZAMBIQUE LIMITADA

PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2016

Particulars	SCHEDULE	(Amount in MZN)	
		For the Year ended 31-03-2016	For the Year ended 31-03-2015
<b>INCOME</b>			
Sales	6	215,221,763	146,128,913
(Decrease)/Increase in Stock	7	(1,793,846)	5,234,081
Other Income	8	3,632,904	5,397,459
<b>TOTAL</b>		<b>217,060,822</b>	<b>156,760,453</b>
<b>EXPENDITURE</b>			
Raw Material Consumed	9	109,109,262	99,819,528
Consumable Consumed	10	7,959,323	8,910,228
Purchase of Stock-in-Trade	10	29,690,961	127,158
Factory Overheads & Manufacturing Expenses	11	11,534,574	10,098,756
Administrative Expenses	12	4,784,163	11,486,112
Staff Expenses	13	5,442,867	5,546,896
Financial Expenses	14	592,991	1,183,793
Selling & Distribution Expenses	15	9,909,681	7,353,310
<b>Total Expenses</b>	<b>TOTAL</b>	<b>179,023,781</b>	<b>144,525,781</b>
Profit before Depreciation & Tax:		38,037,041	12,234,673
Less: Depreciation	3	4,899,033	5,263,357
Net Profit before Tax		33,138,008	6,971,316
Less:			
Current Tax			
Net Profit after Tax		33,138,008	6,971,316
Profit b/f from Previous Year		11,017,206	4,045,890
<b>Total Profit c/f to Balance Sheet</b>		<b>44,155,213</b>	<b>11,017,206</b>
Amount available for Appropriation		44,155,213	11,017,206
Appropriation			
a) Proposed Dividened		-	-
b) Dividened Tax on Proposed Dividened		-	-
Earnings per Share - Basic or diluted (MZN)		4.19	0.88
Weighted Average no. of shares		7,905,000	7,905,000

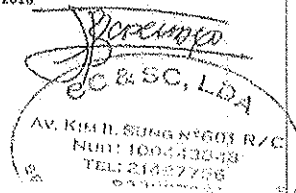
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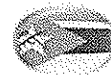
Significant Accounting Policies & Notes to Accounts  
As per our report of even date attached.  
CC & SC - Cachaco Contas & Servicos de Consultoria, Lda  
(CHARTERED ACCOUNTANTS & CONSULTANTS)  
Maputo (Mozambique)  
Place : Maputo  
Dated: 25th April 2016

For & on behalf of Board  
For Gravita Mozambique Lda

*[Signature]*  
Director

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**GRAVITA MOZAMBIQUE LIMITADA**

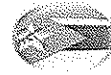
**CASH FLOW STATEMENT**

(Amount in MZN)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>Net income before Tax</b>		
Adjustments to reconcile net income before tax to net cash provided by operating activities	33,138,008	6,971,316
Depreciation	4,899,033	5,263,357
Decrease / (Increase) in receivables	(20,214,348)	16,756,689
Decrease / (Increase) in Inventory	494,606	(4,864,735)
Decrease / (Increase) in Loans and advances	(1,696,470)	1,213,778
Increase / (Decrease) in accounting payables	(7,360,315)	(8,463,319)
Tax (paid) / received	-	-
Prior Period Adjustment	-	-
<b>Net Cash provided by operating activities</b>	<b>9,260,513</b>	<b>16,877,086</b>
<b>Investment Activities</b>		
Purchases of Fixed Assets / Capital Work in Progress	(1,305,345)	(991,940)
Change in Loan & Advances	(6,000)	(175,000)
Decrease / (Increase) in Pre Opeartive Expenses	-	-
<b>Net cash provided / (Used) by investing activities</b>	<b>(1,311,345)</b>	<b>(1,166,940)</b>
<b>Financing activities</b>		
Change in paid up capital	-	-
Change in Share Application money	-	-
Change in Long Term Loan	-	(14,454,250)
<b>Net Cash Used by financing activities</b>	<b>-</b>	<b>(14,454,250)</b>
<b>Change in cash &amp; Banks balance</b>	<b>7,949,168</b>	<b>1,255,896</b>
Cash at beginning year		
Cash	211,708	100,082
Bank	3,457,465	2,313,195
Cash at the end of Year		
Cash	919,891	211,708
Bank	10,698,451	3,457,465

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**GRAVITA MOZAMBIQUE LIMITADA**

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Particulars	(Amount in MZN)	
	As at 31-03-2016	As at 31-03-2015
<u>Schedule - 1</u>		
<u>SHARE CAPITAL</u>		
<b>AUTHORISED SHARE CAPITAL</b>		
79,05,000 Equity Shares of MZN 1 each	7,905,000.00	7,905,000.00
<b>ISSUED SUBSCRIBED AND PAID UP CAPITAL</b>		
79,05,000 Equity Shares of MZN 1 each fully paid for Cash}	7,905,000.00	7,905,000.00
Share Application Money	-	-
<b>TOTAL</b>	<b>7,905,000</b>	<b>7,905,000</b>

Particulars	(Amount in MZN)	
	As at 31-03-2016	As at 31-03-2015
<u>Schedule-2</u>		
<u>RESERVES &amp; SURPLUS</u>		
Opening Balance	11,017,206	4,045,890
Cr. Balance of Profit & Loss A/c	33,138,008	6,971,316
<b>TOTAL</b>	<b>44,155,213</b>	<b>11,017,206</b>



**GRAVITA MOZAMBIQUE LIMITADA**

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Particulars	(Amount in MZN)	
	As at 31-03-2016	As at 31-03-2015
<b>Schedule-4</b>		
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>		
<b>(A) Current Assets</b>		
<b>(1) Inventories:</b>		
(As taken, valued and certified by the Management)		
Raw Material	3,631,493	4,603,437
Finished Goods	4,595,215	4,281,489
By Products	-	-
Work in Process	1,437,177	4,517,598
Consumables	6,530,554	4,325,236
Stock of Traded Goods	1,089,714	116,865
Consignment In Transit	65,867	-
	<b>17,350,020</b>	<b>17,844,626</b>
<b>Sundry Debtors</b>		
Debtors for goods	21,318,918	1,104,570
(Due for less than 6 months)	<b>21,318,918</b>	<b>1,104,570</b>
<b>(2) Cash and Bank Balances</b>		
Cash in hand	919,891	211,708
Balances with scheduled banks	10,698,451	3,457,465
	<b>11,618,342</b>	<b>3,669,173</b>
<b>Sub Total (A)</b>	<b>50,287,280</b>	<b>22,618,369</b>
<b>(B) Loans and Advances</b>		
<b>Advances recoverable in cash or in kind</b>		
Prepaid Expenses	89,874	121,815
Advance for Expenses	-	-
Advance for Raw material	718,089	131,573
Other Current Assets	181,257	179,145
Advance taxes	-	-
Claim for Loss by theft	-	-
Advance for Expenses	-	-
Advances to Staff	1,064,027	118,354
Deposits	-	-
Security Deposits	379,057	184,948
<b>Sub Total (B)</b>	<b>2,432,304</b>	<b>735,835</b>
<b>TOTAL (A+B)</b>	<b>52,719,584</b>	<b>23,354,203</b>



GRAVITA MOZAMBIQUE LIMITADA

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(Amount in MZN)

Particulars	As at 31-03-2016	As at 31-03-2015
<b>Schedule-5</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>(A) Current liabilities</b>		
<b>(i) Sundry Creditors</b>		
Dues of Micro and Small Enterprises	-	-
Creditors for goods & Exp	4,894,806	1,962,429
<b>(ii) Statutory Liabilities:</b>		
INSS Payable	34,524	19,402
VAT and Regularazation payable		
IRPS Payable		
<b>(iii) provision for Expenses:</b>		
Provision for Administrative Expenses	177,985	105,798
<b>TOTAL</b>	<b>5,107,315</b>	<b>2,087,629</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-6</b>		
<b>SALES</b>		
Sales - Export	215,053,751	146,128,913
Sales - Local	168,012	-
<b>TOTAL</b>	<b>215,221,763</b>	<b>146,128,913</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-7</b>		
<b>INCREASE (+)/DECREASE(-) IN STOCK</b>		
<b>CLOSING STOCK</b>		
Finished Goods	4,595,215	4,281,489
Work in Process	1,437,177	4,517,598
Trading Goods	1,089,714	116,865
	<b>7,122,106</b>	<b>8,915,952</b>
<b>LESS: OPENING STOCK</b>		
Finished Goods	4,281,489	2,765,030
Work in Process	4,517,598	916,841
Trading Goods	116,865	-
<b>NET INCREASE(+)/DECREASE(-) IN STOCK</b>	<b>(1,793,846)</b>	<b>5,234,081</b>


**GRAVITA MOZAMBIQUE LIMITADA**
**ANNUAL REPORT 2015=16**

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-8</b>		
<b>OTHER INCOME</b>		
Exchange Gain	3,424,610	5,389,531
Miscellaneous Incomes	208,294	7,928
<b>TOTAL</b>	<b>3,632,904</b>	<b>5,397,459</b>

(Amount in MZN)

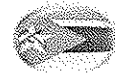
Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-9</b>		
<b>RAW MATERIAL CONSUMED</b>		
Opening Stock	4,603,437	4,117,713
Add: Purchase	108,137,318	100,305,252
Add: Purchase Trading Goods	29,690,961	127,158
Less: Closing stock of Raw Material	3,631,493	4,603,437
<b>TOTAL</b>	<b>138,800,223</b>	<b>99,946,686</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-10</b>		
<b>CONSUMABLE CONSUMED</b>		
Opening stock of consumables	4,325,236	4,093,956
Add: Purchase of Consumables & expenses	10,230,508	9,141,508
Less: Closing Stock of consumable	6,596,420	4,325,236
<b>TOTAL</b>	<b>7,959,323</b>	<b>8,910,228</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule 11</b>		
<b>FACTORY OVERHEADS &amp; MANUFACTURING EXPENSES</b>		
Direct Labour	3,308,792	3,544,804
Power & Fuel	1,177,723	1,065,747
Water Charges	-	-
Repair & Maintenance factory	2,741,977	2,064,373
Factory Rent	4,306,083	3,423,833
Packing Expenses	-	-
Other Manufacturing expenses	-	-
<b>TOTAL</b>	<b>11,534,574</b>	<b>10,098,756</b>



**GRAVITA MOZAMBIQUE LIMITADA**

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule 12</b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Telephone & Communication	324,862	407,368
Travelling & Conveyance	1,238,559	1,480,353
Motor Vehicle Running Expenses	71,996	31,180
Printing & Stationery	72,204	54,887
Postage & Courier Charges	11,317	12,879
Legal & Professional Fees	184,037	727,518
Audit Fees & Tax expenses	14,700	14,700
Rent Guest House	1,009,340	754,480
Guest House Expenses	146,575	130,724
Advertisement Exp.	11,220	11,220
Business Promotion	12,743	10,522
Security Expenses	645,519	590,519
Repair & Maintenance -Other	23,967	312,012
Visa and Work Permit Expenses	446,593	734,909
Rebate and Discounts	-	5,043,147
Exchange gain & loss	-	-
Insurance	142,345	70,559
Other Expenses	428,186	1,099,136
<b>TOTAL</b>	<b>4,784,163</b>	<b>11,486,112</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule-13</b>		
<b>STAFF EXPENSES</b>		
Salaries & Wages	4,282,630	4,128,155
Training and development expenses	11,903	-
Labor / Staff Compensation insurance	-	-
Staff Welfare	1,148,334	1,418,741
<b>TOTAL</b>	<b>5,442,867</b>	<b>5,546,896</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule 14</b>		
<b>FINANCIAL EXPENSES</b>		
Interest	-	659,214
Bank Charges	592,991	524,579
<b>TOTAL</b>	<b>592,991</b>	<b>1,183,793</b>

(Amount in MZN)

Particulars	01.04.15 to 31.03.16	01.04.14 to 31.03.15
<b>Schedule 15</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Export Expenses	9,909,641	7,353,310
<b>TOTAL</b>	<b>9,909,641</b>	<b>7,353,310</b>

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GRAVITA MOZAMBIQUE LIMITADA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st MARCH 2016

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	25.00%
Factory Building	5.00%
Furniture & Fittings	10.00%
Plant & Machinery	25.00%
Computer Accessories	25.00%
Other Fixed Assets	12.50%
Tools and Tackles	25.00%
Security Systems	20.00%
Internet Modem	25.00%
Mobiles	20.00%
Iron (office equipment)	25.00%
Fans, Television Set, Water Purifier	14.28%

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

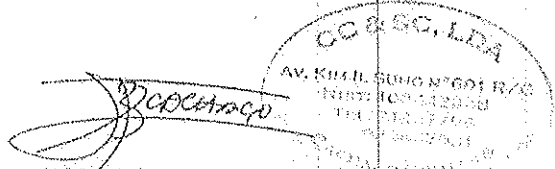
Transactions denominated in foreign currencies have been translated into MZN at the rates of exchange ruling at the date of transaction. Assets and liabilities in the foreign currencies are converted into MZN at the rates of exchange ruling at the financial year end. All differences arising from changes 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 Boa  
For Gravita Mozambiq

Director

ANNUAL REPORT 2015-16



CC & SC - Cachaco Contas & Servicos de Consultoria,  
Lda  
(CHARTERED ACCOUNTANTS & CONSULTANTS)  
Maputo (Mozambique)  
Place : Maputo  
Dated: 25th April 2016