



**Independent Auditor's Report**

**TO THE MEMBERS OF GRAVITA USA INC**  
**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **GRAVITA USA INC** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI, 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in USA, including the specified Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.





We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.


An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit or loss for the year ended on that date

**For Swarnkar & Co.**  
**Chartered Accountant**  
**Firm Reg. No.:- 025928C**

  
**Deepak Kumar Swarnkar**  
**(Proprietor)**  
**M. No:-424940**  
**UDIN: 20424940AAAAFI7153**



**Date: 18-06-2020**  
**Place: Jaipur**





**Balance sheet**  
As on 31st March 2020

Particulars	Note	(INR In la	
		As at Mar 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>1 Non - current assets</b>			
(a) Property, Plant and Equipment	2	0.80	1.1
(b) Financial Assets			
(i) Loans	3	1,679.11	1,006.5
(c) Tax Assets (net)		0.28	-
		<b>1,680.19</b>	<b>1,007.7</b>
<b>2 Current assets</b>			
(a) Inventories		718.18	-
(b) Financial Assets			
(i) Trade receivables	4	847.70	31.65
(ii) Cash and cash equivalents	5	172.82	6.79
(c) Other current assets	6	110.96	248.38
<b>3 Assets held-for-sale</b>			
		-	-
		<b>1,849.66</b>	<b>286.82</b>
<b>Total Assets</b>		<b>3,529.85</b>	<b>1,294.54</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	7	166.60	144.83
(b) Other equity	1	206.58	74.59
<b>Equity attributable to owners of the Company</b>		<b>373.18</b>	<b>219.42</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	8	3,001.77	1,066.12
(b) Other current liabilities		120.62	-
(c) Current tax Liabilities (net)	9	34.28	9.00
		<b>3,156.67</b>	<b>1,075.12</b>
<b>Total Equity and Liabilities</b>		<b>3,529.85</b>	<b>1,294.54</b>

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



Deepak Kumar Swarnkar  
(Proprietor)  
M.No. 424940

Place:- Jaipur



For and on behalf of the Board Of Directors  
Gravita USA Inc



Rajat Agarwal  
(Director)

**Statement of profit and loss  
for the period ended Mar 31, 2020**

(INR In lacs)

Particulars	Note	For the year ended Mar 31, 2020	For the year ended March 31, 2019
I Revenue from operations	10	6,792.70	4,952.88
II Other income	11	50.22	22.69
<b>III Total income</b>		<b>6,842.92</b>	<b>4,975.57</b>
IV Expenses:			
(a) Cost of materials consumed		(0.41)	-
(b) Purchases of Stock-in-trade	12	7,250.18	4,689.12
(c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress		(718.18)	-
(d) Employee benefits expense	13	147.76	151.99
(e) Depreciation and amortisation expense	14	0.43	0.42
(f) Other expenses	15	(18.87)	90.06
<b>Total expenses</b>		<b>6,660.91</b>	<b>4,931.59</b>
V Share of profit of associates			
<b>VI Profit before tax</b>		<b>182.01</b>	<b>43.98</b>
VI Tax expense:			
Current tax	16	34.37	9.23
Excess provision for tax relating to earlier years written back			-
<b>VIII Profit for the year</b>		<b>147.64</b>	<b>34.75</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		(15.65)	10.70
Income tax relating to items that may be reclassified to profit or loss			
<b>Other comprehensive income</b>		<b>(15.65)</b>	<b>10.70</b>
<b>X Total comprehensive income for the year (VIII + IX)</b>		<b>131.99</b>	<b>45.45</b>

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

Deepak Kumar Swarnkar  
(Proprietor)  
M.No. 424940

Place:- Jaipur



For and on behalf of the Board Of Directors  
Gravita USA Inc



Rajat Agarwal  
(Director)

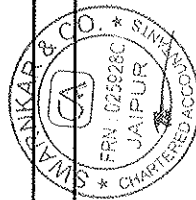
## Gravita USA Inc

### Notes forming part of the financial statements

Note 2 - Property, Plant and Equipment

As at March 31, 2019 and March 31, 2020

Particulars	(INR in Lacs)	
	Computer and accessories	Total
<b>Cost</b>		
As at March 31, 2018	1.96	1.96
Additions during the year	-	-
Disposals/ Adjustments	-	-
Translation difference	0.13	0.13
<b>As at March 31, 2019</b>	<b>2.09</b>	<b>2.09</b>
Additions during the year	-	-
Disposals/ Adjustments	-	-
Translation difference	0.19	0.19
<b>As at March 31, 2020</b>	<b>2.28</b>	<b>2.28</b>
<b>Depreciation</b>		
As at March 31, 2018	0.49	0.49
Charge for the year	0.42	0.42
Deletions	-	-
Translation difference	0.03	0.03
<b>As at March 31, 2019</b>	<b>0.94</b>	<b>0.94</b>
Charge for the year	0.43	0.43
Deletions	-	-
Translation difference	0.11	0.11
<b>As at March 31, 2020</b>	<b>1.48</b>	<b>1.48</b>
<b>Net block</b>		
As at March 31, 2020	0.80	0.80
As at March 31, 2019	1.15	1.15



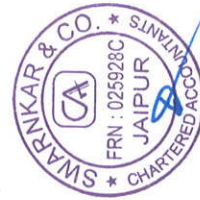
**Gravita USA Inc**

**Statement of changes in equity for the Period ended on March 31, 2020**

**1 Other equity**

(INR In lacs)

Particulars	Other equity			Total
	Reserves and surplus	Items of OCI		
	Surplus in Statement of Profit and Loss	Foreign currency translation reserve		
<b>Balance as at March 31, 2018</b>	<b>26.40</b>	<b>2.74</b>		<b>29.14</b>
1 Profit for the year	34.75	-		34.75
2 Other comprehensive income for the year, net of income tax	-	10.70		10.70
<b>Balance as at March 31, 2019</b>	<b>61.15</b>	<b>13.44</b>		<b>74.59</b>
1. Profit for the year	147.64	-		147.64
2. Other comprehensive income for the year, net of income tax	-	(15.65)		(15.65)
<b>Balance as at March 31, 2020</b>	<b>208.79</b>	<b>(2.21)</b>		<b>206.58</b>





**Gravita USA Inc**  
**Notes forming part of the financial statements**

**Note 3 - Loans**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
Non current, Unsecured, considered good Loan to related parties	1,679.11	1,006.57
<b>Total</b>	<b>1,679.11</b>	<b>1,006.57</b>

**Note 4 - Trade receivables**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
Unsecured, considered good	847.70	31.65
Less: Provision for doubtful trade receivables	-	-
	<b>847.70</b>	<b>31.65</b>

**Note 5 - Cash and cash equivalents**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
Cash and cash equivalents Balances with banks -on current accounts	172.82	6.79
<b>Total</b>	<b>172.82</b>	<b>6.79</b>

**Note 6 - Other assets**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
Unsecured, considered good Current		
Advances to related parties	103.33	242.27
Advances to vendors	-	0.21
Advances to employees	3.97	-
Prepaid expenses	3.66	5.90
<b>Total</b>	<b>110.96</b>	<b>248.38</b>



**Gravita USA Inc**  
**Notes forming part of the financial statements**

**Note 7 - Equity share capital**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
<b>Authorised</b> 1500 (Previous year 1500) equity shares of USD 1000 each	975.66	975.66
	<b>975.66</b>	<b>975.66</b>
<b>Issued, subscribed and fully paid up</b> Equity shares of Rs. 2 each	166.60	144.83
	<b>166.60</b>	<b>144.83</b>

**Note 8 - Trade payables**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
Outstanding dues to parties other than Micro and Small enterprises	3,001.77	1,066.12
Sundry creditors	2.43	2.11
Sundry creditors Related Party	2,999.34	1,064.01
	<b>3,001.77</b>	<b>1,066.12</b>

**Note 9 - Tax Liabilities (Net)**

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
<b>Tax liabilities</b>		
Provision for taxation	34.28	9.00
	<b>34.28</b>	<b>9.00</b>

**Note 10 - Revenue from operations**

Particulars	(INR In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Sale of products</b>	-	-
Traded goods	6,792.70	4,952.88
<b>Revenue from operations</b>	<b>6,792.70</b>	<b>4,952.88</b>





**Gravita USA Inc**  
**Notes forming part of the financial statements**

**Note 11 - Other income**

Particular	(INR In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest income</b>		
Interest income earned on financial assets that are not designated as at fair value through profit and loss		
On other financial assets carried at amortised COST	50.22	22.68
<b>Total</b>	<b>50.22</b>	<b>22.68</b>

**Note 12 - Purchase of stock-in-trade**

Particulars	(INR In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Remelted Lead ingots	-	-
Others	7,250.18	4,689.12
	<b>7,250.18</b>	<b>4,689.12</b>

**Note 13 - Employee benefits expense**

Particulars	(INR In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Salaries and wages	147.65	151.99
(ii) Staff welfare expenses	0.11	-
	<b>147.76</b>	<b>151.99</b>

**Note 14 - Depreciation and amortisation expense**

Particulars	(INR In lacs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of Property, Plant and Equipment	0.43	0.42
	<b>0.43</b>	<b>0.42</b>



**Gravita USA Inc**  
**Notes forming part of the financial statements**

**Note 15 - Other expenses**

(INR In lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	2.17	3.00
Legal and professional	5.09	3.36
Freight and forwarding	-10.53	4.36
Travelling and conveyance	4.63	4.91
Rent	3.45	6.73
Sales commission	-0.01	16.07
Communication	2.01	1.57
Printing and stationery	0.27	0.24
Payment to auditors	0.66	0.10
Written off/provision for doubtful trade receivables, loans and advances	-	34.93
Loss on sale of Investment	-35.44	-
Bank charges	8.38	13.67
Miscellaneous expenses	0.45	1.12
	<b>-18.87</b>	<b>90.06</b>

**Note 16 - Tax expense**

(INR In lacs)

Particulars	For the year ended Mar 31, 2020	For the year ended March 31, 2019
<b>Current Tax</b>		
Current tax expense	34.37	9.23
	<b>34.37</b>	<b>9.23</b>

