



Swarnkar & Co

Chartered Accountants

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

From: Swarnkar & Co.

Subject: Component Audit of Recyclers Costa Rica S.A. for the year ended 31st March, 2020

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 Costa Rica S.A.** as at 31st March 2020, and Profit & Loss A/c and other reconciliations and information (all collectively referred to as the Fit For Consolidation (FFC) Accounts)

Related to Going Concern

We draw attention to the Note 24 to the financial statement which indicates that The Company has incurred net loss of INR 73.14 lakh during the year ended 31st March, 2020, however as per decision of the management the financial statement have been prepared on a going concern basis. Our opinion is not modified in respect of the said matter.

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.



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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 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 Costa Rica S.A.** as of **31st March, 2020** 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 Costa Rica S.A.** as of **31st March 2020**, 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
Date: 18-06-2020
UDIN:20424940AAAAEY1171



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Recyclers Costa Rica S. A.
Balance sheet as on March 31, 2020

(INR In lacs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	2	64.52	127.10
(b) Financial Assets			
(i) Loans	3	5.09	3.95
		69.61	131.05
2 Current assets			
(a) Inventories		-	9.90
(b) Financial Assets			
(i) Trade receivables	6	25.92	78.53
(ii) Cash and cash equivalents	7	0.54	9.22
(c) Other current assets	4	1.09	4.69
		27.55	102.34
Total Assets		97.16	233.39
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	8	131.59	131.59
(b) Other equity	1	(317.68)	(228.47)
Total Equity		(186.08)	(96.88)
2 Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	249.90	218.02
		249.90	218.02
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		0.35	-
(ii) Trade payables	10	33.81	76.73
(b) Other current liabilities	11	(0.81)	35.52
		33.35	112.25
		283.25	330.27
Total Equity and Liabilities		97.16	233.39

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
Recyclers Costa Rica S.A

Rajat Sharma
(Director)

Recyclers Costa Rica S. A.
Statement of profit and loss for the year ended March 31, 2020



(INR In lacs)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	12	547.52	778.68
II Other income	13	5.02	0.63
III Total income (I + II)		552.55	779.30
IV Expenses:			
(a) Cost of materials consumed	14	222.17	381.09
(b) Purchases of Stock-in-trade	15	140.49	135.22
(c) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	16	7.06	28.99
(d) Employee benefits expense	17	71.92	128.14
(e) Finance costs	18	5.83	3.59
(f) Depreciation and amortisation expense	19	14.96	14.68
(g) Other expenses	20	163.25	262.85
Total expenses (IV)		625.68	954.56
V Share of profit of associates			
VI Profit before tax (III - IV + V)		(73.14)	(175.25)
VI Tax expense:		-	-
VIII Profit for the year (VI - VII)		(73.14)	(175.25)
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		(16.07)	4.51
Other comprehensive income		(16.07)	4.51
X Total comprehensive income for the year (VIII + IX)		(89.21)	(170.74)

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
Recyclers Costa Rica S.A

Rajat Sharma
(Director)

Recyclers Costa Rica S.A

Statement of changes in equity for the period ended March 31, 2020

1 Other equity

(INR In lacs)

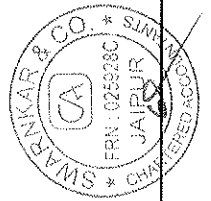
Particulars	Other equity			Total
	Reserves	Items of OCI		
	Surplus in Statement of Profit and Loss	Foreign currency translation reserve		
Balance as at March 31, 2018	(52.17)	(5.56)		(57.73)
1 Profit for the year	(175.25)	-		(175.25)
2 Other comprehensive income for the year, net of income tax	-	4.51		4.51
Total comprehensive income for the year	(175.25)	4.51		(170.74)
Balance as at March 31, 2019	(227.42)	(1.05)		(228.47)
1. Profit for the year	(73.14)	-		(73.14)
2. Other comprehensive income for the year, net of income tax	-	(16.07)		(16.07)
Total comprehensive income for the year	(73.14)	(16.07)		(89.21)
Balance as at March 31, 2020	(300.56)	(17.12)		(317.68)



Recyclers Costa Rica S. A.
Notes forming part of the financial statements

Note 2 - Property, Plant and Equipment

Particulars		(INR. In lacs)						Total
		Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles		
Cost								
As at March 31, 2018		118.68	-	0.19	0.08	13.42		132.37
Additions during the year		2.59	1.92	0.72	0.35	8.94		14.52
Disposals/ Adjustments		-	-	-	-	-		-
Translation difference		0.42	-0.06	-0.00	-0.01	-0.28		0.08
As at March 31, 2019		121.70	1.86	0.89	0.42	22.10		146.97
Additions during the year		-	-	-	-	-		-
Disposals/ Adjustments		-74.91	-	-	-0.11	-		-75.02
Translation difference		10.52	0.22	0.07	0.04	2.70		13.56
As at March 31, 2019		57.31	2.08	0.98	0.35	24.78		85.51
Depreciation								
As at March 31, 2018		4.17	-	0.01	0.01	1.47		5.66
Charge for the year		12.51	0.11	0.06	0.01	1.92		14.61
Deletions		-	-	-	-	-		-
Translation difference		-0.38	-0.00	-0.00	-0.00	0.00		-0.38
As at March 31, 2019		16.30	0.11	0.07	0.02	3.41		19.90
Charge for the year		12.28	0.20	0.09	0.04	2.35		14.96
Deletions		-16.18	-	-	-0.02	-		-16.20
Translation difference		1.74	0	0.01	0.00	0.54		2.32
As at March 31, 2020		14.13	0.33	0.18	0.05	6.29		20.99
Net block								
As at March 31, 2020		43.18	1.76	0.80	0.31	18.49		64.52
As at March 31, 2019		105.40	1.75	0.82	0.43	18.69		127.10



Recyclers Costa Rica S.A
Notes forming part of the financial statements

(INR In lacs)

Note 3 - Loans

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Non current, Unsecured, considered good		
(i) Security deposits	5.09	3.95
Total (a)	5.09	3.95

Note 4 - Other assets

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current		
Advances to vendors	0.14	4.09
Advances to employees	0.60	0.06
Prepaid expenses	0.35	0.54
Total (a)	1.09	4.69

Note 5 - Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Raw materials and bought out components	-	2.77
(b) Work-in-progress	-	7.06
(c) Finished goods (other than those acquired for trading)	-	-
(d) Stock-in-trade (in respect of goods acquired for trading)	-	0.00
(e) Stores and spares	-	0.02
(f) Consumables	-	0.05
	-	9.90

Note 6 - Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Secured (Considered good)	-	-
Unsecured, considered good	25.92	78.53
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	25.92	78.53
Current	25.92	78.53
Non-current		



Recyclers Costa Rica S.A
Notes forming part of the financial statements

Note 7 - Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash and cash equivalents		
Balances with banks		
-on current accounts	0.54	8.95
Cash on hand	-	0.27
Total (a)	0.54	9.22

Note 8 - Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
200000 Equity shares of 1USD each	1,35,74,140.00	1,35,74,140.00
Issued, subscribed and fully paid up		
145000 Equity Shares of 1 USD each	131.59	131.59

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

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured		
(a) Term loan		
-From related party	249.90	218.02
	249.90	218.02

Note 10 - Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding dues to parties other than Micro and Small enterprises	33.81	76.73
Sundry creditors	11.74	6.75
Sundry creditors Related Party	22.07	58.51
Expenses payable	-	5.28
Employee & Workers related payables (including flexi, Bonus, LTA etc.)	-	6.19
	33.81	76.73
Current	33.81	76.73



Recyclers Costa Rica S.A
Notes forming part of the financial statements

Note 11 - Other Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Advance received from Customer-related party	-	35.52
-Statutory remittances*	-0.81	-
	-0.81	35.52

Note 12 - Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products (including excise duty)	-	-
Manufactured goods	358.48	621.03
Traded goods	189.04	157.65
Revenue from operations	547.52	778.68

Note 13 - Other income

Particular	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income		
Interest income earned on financial assets that are not designated as at fair value through profit and loss		
(a) On bank deposits (at amortised cost)	0.00	0.01
Miscellaneous income	0.47	0.62
(c) Other gains and losses		
Gain on disposal of property, plant and equipment (net)	4.55	-
Total	5.02	0.63

Note 14 - Cost of material consumed

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw materials and bought out components consumed	222.17	381.09
	222.17	381.09



Recyclers Costa Rica S.A
Notes forming part of the financial statements

Note 15 - Purchase of stock-in-trade

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Remelted Lead ingots	-	-
Others	140.49	135.22
	140.49	135.22

Note 16 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Opening stock		
Finished goods	-	1.69
Work-in-progress	7.06	34.36
Stock-in-trade	0.00	-
Less: Closing stock		
Finished goods	-	-
Work-in-progress	-	7.06
Stock-in-trade	-	0.00
Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade	7.06	28.99
	7.06	28.99

Note 17 - Employee benefits expense

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(i) Salaries and wages	61.98	118.98
(ii) Staff welfare expenses	9.94	9.16
	71.92	128.14



Recyclers Costa Rica S.A
Notes forming part of the financial statements

Note 18 - Finance cost

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(a) Interest costs on		
- Borrowings	5.83	3.59
- Others	-	-
	5.83	3.59

Note 19 - Depreciation and amortisation expense

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
(a) Depreciation of Property, Plant and Equipment	14.96	14.68
	14.96	14.68

Note 20 - Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Power and fuel	3.42	4.72
Rates and taxes	-	0.02
Legal and professional	2.67	6.00
Repairs and maintenance	-	-
-Plant & machinery	15.21	32.17
-Buildings	0.07	0.41
-Others	7.31	10.51
Freight and forwarding	60.87	62.46
Travelling and conveyance	5.65	25.75
Insurance	1.42	0.51
Rent	38.34	62.94
Advertising and sales promotion	0.39	0.84
Communication	3.83	4.04
Printing and stationery	0.27	0.72
Net loss on foreign currency transactions and translation	0.67	7.94
Loss on property plant and equipment discarded/scrap/written off	-	2.66
Bank charges	3.53	6.42
Vehicle hire expenses	-	7.39
Vehicle running expenses	5.28	7.86
Miscellaneous expenses	14.32	19.49
	163.25	262.85

