



**Swarnkar & Co**

**Chartered Accountants**

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

**From:** Swarnkar & Co.

**Subject:** Component Audit of Recyclers Ghana Limited for the year ended 31<sup>st</sup> 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 Ghana Limited** as at 31<sup>st</sup> 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 34 to the financial statement which indicates that The Company has incurred net loss of INR 215.81 lakh during the year ended 31<sup>st</sup> 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 Ghana Limited** as of **31<sup>st</sup> 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 Ghana Limited** as of *31<sup>st</sup> 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: 17-06-2020

UDIN: 20424940AAAAER4056





**Recyclers Ghana Limited**  
**Balance sheet As at Mar 31, 2020**

		(Rs. In Lacs)	
Particulars	Note	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	1,833.20	30.02
(b) Capital work-in-progress		553.84	1,769.98
(c) Other non current assets	3(a)	0.37	47.10
		<b>2,387.41</b>	<b>1,847.10</b>
<b>2 Current assets</b>			
(a) Inventories	4	2,183.32	7.68
(b) Financial Assets			
(i) Trade receivables	20	37.45	-
(ii) Cash and cash equivalents	5	47.26	67.25
(c) Other current assets	3(b)	134.29	251.22
<b>3 Assets held-for-sale</b>			
		-	-
		<b>2,402.32</b>	<b>326.15</b>
<b>Total Assets</b>		<b>4,789.73</b>	<b>2,173.25</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	6	488.91	488.91
(b) Other equity	1	(320.09)	(39.18)
<b>Equity attributable to owners of the Company</b>		<b>168.82</b>	<b>449.73</b>
<b>2 Liabilities</b>			
<b>Non - current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	7	2,661.75	431.92
(b) Provisions	19	8.96	-
		<b>2,670.71</b>	<b>431.92</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	6.46	-
(ii) Trade payables	8	1,065.09	281.02
(iii) Other financial liabilities	9	140.17	679.34
(b) Other current liabilities	10	738.48	331.24
		<b>1,950.20</b>	<b>1,291.60</b>
		<b>4,620.91</b>	<b>1,723.52</b>
<b>Total Equity and Liabilities</b>		<b>4,789.73</b>	<b>2,173.25</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  
Recyclers Ghana Limited

*(Signature)*

Naresh Gohel  
(Director)

**Recyclers Ghana Limited**  
**Statement of profit and loss For the period ended on Mar 31, 2020**

Particulars	Note	(Rs. In Lacs)	
		For the year ended Mar 31, 2020	For the year ended March 31, 2019
I Revenue from operations	21	6,734.13	-
II Other income		-	-
III Total income (I + II)		<b>6,734.13</b>	-
IV Expenses:			
(a) Cost of materials consumed	12	7,718.81	-
(b) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	13	(1,922.03)	-
(c) Employee benefits expense	14	299.64	-
(d) Finance costs	15	39.26	-
(e) Depreciation and amortisation expense	16	172.11	-
(f) Other expenses	17	642.15	-
Total expenses (IV)		<b>6,949.94</b>	-
V Share of profit of associates		-	-
VI Profit before tax (III - IV + V)		(215.81)	-
VII Tax expense:		-	-
VIII Profit for the year (VI - VII)		<b>(215.81)</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		(65.10)	(39.47)
Other comprehensive income		<b>(65.10)</b>	<b>(39.47)</b>
X Total comprehensive income for the year (VIII + IX)		<b>(280.91)</b>	<b>(39.47)</b>

See accompanying notes to the financial statements

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



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

For and on behalf of the Board of Directors  
Recyclers Ghana Limited

Naresh Gohel  
(Director)

Recyclers Ghana Limited

Notes forming part of the financial statements

Note 3 - Other assets

(Rs. In Lacs)

Particulars	As at	As at
	Mar 31, 2020	March 31, 2019
<b>Unsecured, considered good</b>		
<b>(a) Non Current</b>		
Capital advances	0.37	47.10
<b>Total (a)</b>	<b>0.37</b>	<b>47.10</b>
<b>(b) Current</b>		
Advances to vendors	122.79	241.26
Advances to employees	4.05	0.23
Prepaid expenses	7.45	9.73
<b>Total (b)</b>	<b>134.29</b>	<b>251.22</b>

Note 4 - Inventories

(Rs. In Lacs)

Particulars	As at	As at
	Mar 31, 2020	March 31, 2019
Raw materials and bought out components	22.49	6.22
(a) Goods-in-transit	105.20	-
(b) Work-in-progress	1,075.28	-
(c) Finished goods (other than those acquired for trading)	141.09	-
(d) Goods-in-transit	700.14	-
(e) Stock-in-trade (in respect of goods acquired for trading)	5.52	-
Stores and spares	106.01	0.03
Consumables	27.59	1.43
<b>Total</b>	<b>2,183.32</b>	<b>7.68</b>

Note 5 - Cash and cash equivalents

(Rs. In Lacs)

Particulars	As at	As at
	Mar 31, 2020	March 31, 2019
<b>Cash and cash equivalents</b>		
Balances with banks		
-on current accounts	33.07	66.84
Cash on hand	14.19	0.41
<b>Total</b>	<b>47.26</b>	<b>67.25</b>





Recyclers Ghana Limited

Notes forming part of the financial statements

Note 6 - Equity share capital

(Rs. In Lacs)

Particulars	As at Mar 31, 2020	As at March 31, 2019
<b>Authorised</b> 1950000 Equity Shares @1 GHS each	19.50 GHS	19.50 GHS
Equity shares of Rs. 2 each	488.91	488.91
<b>Total</b>	<b>488.91</b>	<b>488.91</b>

Note 7 - Non - current financial liabilities - Borrowings (at amortised cost)

(Rs. In Lacs)

Particulars	As at Mar 31, 2020	As at March 31, 2019
<b>Unsecured</b> <b>Term loan</b> -From related party	2,661.75	431.92
<b>Total</b>	<b>2,661.75</b>	<b>431.92</b>

Note 8 - Trade payables

(Rs. In Lacs)

Particulars	As at Mar 31, 2020	As at March 31, 2019
Outstanding dues to parties other than Micro and Small enterprises	1,065.09	281.02
Sundry creditors	618.85	26.18
Sundry creditors Related Party	402.92	242.92
Employee & Workers related payables (including flexi, Bonus, LTA etc.)	43.32	11.92
<b>Total</b>	<b>1,065.09</b>	<b>281.02</b>

Note 9 - Other financial liabilities

(Rs. In Lacs)

Particulars	As at Mar 31, 2020	As at March 31, 2019
<b>Current</b> - Payable for purchase of fixed assets	140.17	679.34
<b>Total</b>	<b>140.17</b>	<b>679.34</b>

Note 10 - Other Liabilities

(Rs. In Lacs)

Particulars	As at Mar 31, 2020	As at March 31, 2019
<b>Current</b> Advance received from Customer-related party	727.06	330.98
-Statutory remittances	11.42	0.26
<b>Total</b>	<b>738.48</b>	<b>331.24</b>



## Recyclers Ghana Limited

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

#### 1. Other Equity

Particulars	Reserves and surplus in Statement of Profit	Items of OCI		Attributable to owners of the parent	Total
		Foreign currency translation reserve			
<b>Balance as at March 31, 2018</b>	-	0.29		0.29	0.29
1. Profit for the year	-	-		-	-
2. Other comprehensive income for the year, net of income tax	-	(39.47)		(39.47)	(39.47)
<b>Balance as at March 31, 2019</b>	-	(39.18)		(39.18)	(39.18)
1. Profit for the year	(215.81)	-		(215.81)	(215.81)
2. Other comprehensive income for the year, net of income tax	-	(65.10)		(65.10)	(65.10)
<b>Balance as at March 31, 2020</b>	<b>(215.81)</b>	<b>(65.10)</b>		<b>(320.09)</b>	<b>(320.09)</b>



**Recyclers Ghana Limited**  
**Notes forming part of the financial statements**

As at March 31, 2019 and March 31, 2020

Particulars	(Rs. In Lacs)						
	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
<b>Cost</b>							
As at March 31, 2018	-	-	-	-	-	-	-
Additions during the year	4.75	18.27	1.54	-	0.96	10.80	36.32
Disposals/ Adjustments	-	-	-	-	-	-	-
Translation difference	-0.37	-1.43	-0.12	-	-0.08	-0.85	-2.85
As at March 31, 2019	4.38	16.84	1.42	-	0.88	9.95	33.47
Additions during the year	806.80	1,078.39	6.34	2.54	11.20	4.40	1,909.67
Disposals/ Adjustments	-	-	-	-	-	-	-
Translation difference	30.57	41.06	0.27	0.10	0.44	0.35	72.79
As at March 31, 2020	841.75	1,136.29	8.03	2.64	12.52	14.70	2,015.93
<b>Depreciation</b>							
As at March 31, 2018	0.08	1.23	0.15	-	0.15	2.16	3.77
Charge for the year	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Translation difference	-0.01	-0.10	-0.01	-	-0.01	-0.19	-0.32
As at March 31, 2019	0.07	1.13	0.14	-	0.14	1.97	3.45
Charge for the year	24.20	142.28	1.37	0.19	2.04	2.61	172.69
Deletions	-	-	-	-	-	-	-
Translation difference	0.92	5.40	0.05	0.01	0.08	0.13	6.59
As at March 31, 2020	25.19	148.81	1.56	0.20	2.26	4.71	182.73
<b>Net block</b>							
As at March 31, 2020	816.56	987.48	6.47	2.44	10.26	9.99	1,833.20
As at March 31, 2019	4.31	15.71	1.28	-	0.74	7.98	30.02





Recyclers Ghana Limited  
Notes forming part of the financial statements

Note 11 - Revenue from operations

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
(a) Sale of products (including excise duty)	-	-
Manufactured goods	6,734.13	-
<b>Total</b>	<b>6,734.13</b>	<b>-</b>

Note 12 - Cost of material consumed

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
Raw materials and bought out components consumed	7,718.81	-
	<b>7,718.81</b>	<b>-</b>

Note 13 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
<b>Opening stock</b>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Less: Closing stock</b>		
Finished goods	841.23	-
Work-in-progress	1,075.28	-
Stock-in-trade	5.52	-
<b>Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade</b>	<b>-1,922.03</b>	<b>-</b>



**Note 14 - Employee benefits expense**

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
(i) Salaries and wages	261.71	-
(ii) Contribution to provident and other funds	3.39	-
(iii) Staff welfare expenses	34.54	-
	<b>299.64</b>	-

**Note 15 - Finance cost**

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
(a) Interest costs on - Borrowings	39.26	-
	<b>39.26</b>	-

**Note 16 - Depreciation and amortisation expense**

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
(a) Depreciation of Property, Plant and Equipment	172.11	-
	<b>172.11</b>	-

**Note 17 - Other expenses**

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
Power and fuel	105.94	-
Rates and taxes	5.12	-
Legal and professional	2.14	-
-Plant & machinery	85.36	-
-Buildings	6.61	-
-Others	18.39	-
Freight and forwarding	123.42	-
Travelling and conveyance	44.38	-
Insurance	4.46	-
Rent	15.45	-
Advertising and sales promotion	9.97	-
Communication	8.15	-
Printing and stationery	1.63	-
Payment to auditors	0.80	-
Net loss on foreign currency transactions and translation	142.63	-
Bank charges	30.34	-
Vehicle hire expenses	1.82	-
Vehicle running expenses	13.30	-
Miscellaneous expenses	22.24	-
	<b>642.15</b>	-



Recyclers Ghana Limited

Notes forming part of the financial statements

Note 18 - Current financial liabilities - Borrowings (at amortised cost)

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
<b>Secured</b>		
Loans repayable on demand		
From banks		
Cash credit / overdraft	6.46	-
	<b>6.46</b>	<b>-</b>

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
<b>Note 19 - Provisions</b>		
(a) Long - term		
Provision for employee benefits		
Provision for gratuity (net)	-	-
Provision for compensated absences	8.96	-
	<b>8.96</b>	<b>-</b>

Particulars	(INR In lacs)	
	As at Mar 31, 2020	As at March 31, 2019
<b>Note 20 - Trade receivables</b>		
Secured (Considered good)	-	-
Unsecured, considered good	37.45	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<b>37.45</b>	<b>-</b>





Recyclers Ghana Limited  
Notes forming part of the financial statements

Note 21 - Revenue from operations

Particulars	(INR In lacs)	
	For the year ended Mar 31, 2020	For the year ended March 31, 2019
(a) Sale of products (including excise duty)	-	-
Manufactured goods	6,734.13	-
<b>Revenue from operations</b>	<b>6,734.13</b>	<b>-</b>

