

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Gravita Netherlands B.V..

A. Report on the audit of the financial statements 2023/2024 included in the annual report

We were engaged to audit the accompanying financial statements for the period ended 31 March 2024 of Gravita Netherlands B.V. based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Gravita Netherlands B.V. for the period ended 31 March 2024 and of its result for the period 1st April 2023 up to and including 31 March 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the balance sheet as at 31 March 2024;
 - the profit and loss account for the period 1st April 2023 up to and including 31 March 2024
- and
- the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Gravita Netherlands B.V. in accordance with the Wet Toezicht Accountantsorganisaties (Wta, Audit firms supervision act), the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics).

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

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code;

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to
- those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 27th June 2024

IAC Audit & Assurance B.V.

A blue ink signature of S. Ramdas RA, written over a circular blue stamp.

drs. S. Ramdas RA

Initials for authentication purposes:



A.R.

ANNUAL REPORT 2023/2024

Gravita Netherlands B.V.
Amsterdam

Entry number in the trade register of the Dutch Chamber of Commerce: 55270271

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REPORT OF THE MANAGEMENT

Report of the management

The management herewith presents the annual report of Gravita Netherlands B.V. hereinafter (the "Company") for the period ended 31 March 2024.

Corporate information and activities

The Company is a private limited liability company established under the laws of The Netherlands on May 8, 2012, with its statutory seat in Amsterdam and registered address at Kraijenhoffstraat 137 A, 1018RG Amsterdam, The Netherlands.

The Company is wholly owned by Gravita Global Pte. Ltd., based in Singapore.

The Company's primary business activities include the wholesale of iron and steel scrap, old non-ferrous metals, and other intermediate products. Additionally, the Company engages in incorporating, participating in, and financing companies and enterprises, as well as any activities related to or conducive to the aforementioned, in the broadest sense of the term.

Developments during the financial year

There is a decrease in the Company's revenue during the current financial year compared to the previous fiscal year.

Turnover and result for the year

Particulars	Audited	Unaudited	Difference	%age
	2023-24	2022-23		
	USD	USD	USD	USD
Revenues	110,987,412	52,390,476	58,596,936	112%
Result before taxation	(481,910)	425,775	(907,686)	-213%
Result after taxation	(481,910)	377,206	(859,117)	-228%

Results

As of March 31, 2024, the net asset value of the Company stands at USD 85,14,336 (compared to USD 8,871,925 as of March 31, 2023). Additionally, the net result for the year ending March 31, 2024, indicates a loss of USD 4,81,910 (in contrast to a profit of USD 377,206 for the year ending March 31, 2023).

Financial position

Working capital is defined as the difference between all current assets and current liabilities, serving as an indicator of the company's liquidity position.

Working capital

	<u>31-Mar-2024</u>	<u>31-Mar-2023</u>
Receivables	31,041,381	9,323,695
Cash at banks and in hand	2,719,201	368,049
Total Current assets	33,760,582	9,691,745
Current liabilities	19,165,704	13,889,516
Working Capital	52,926,286	23,581,261

Liquidity & Financing requirements at year end

The Company possesses a cash surplus amounting to USD 12,69,373.

Risk Management

Organisational culture and behaviour, including the internal code of conduct:

Tone at the top is the behaviour and attitude of management of an organisation, which focuses on setting a good example. After all, the idea is to set an example for others to follow. Culture and behaviour require attention and are important factors in fraud risk management as they influence proper functioning of the organisation (and the internal control measures).

Segregation of Duties:

The Company has successfully implemented a robust system of segregation of duties across critical financial processes. By ensuring that no single individual has control over an entire transaction process, the organization has significantly reduced the risk of fraudulent activities going undetected. This measure provides effective checks and balances within the internal control environment.

Strengthened Internal Controls:

Through a comprehensive review and enhancement of internal controls, the Company has successfully addressed the identified gaps. The organization has implemented stricter documentation procedures, established regular monitoring protocols, and conducted periodic reviews of key control activities. These measures ensure the effectiveness of internal controls in preventing and detecting fraudulent activities.

Revised Whistleblower Policy:

The Company has taken significant steps to revise and enhance the whistleblower policy. The policy now includes clear guidelines for reporting suspected fraudulent activities, well-defined reporting channels, and protection mechanisms for individuals who come forward. These revisions encourage employees to report concerns without fear of retaliation and ensure a more robust system for detecting and addressing fraud.

Enhanced Fraud Awareness Training:

Recognizing the importance of employee awareness in preventing and detecting fraud, the Company has implemented comprehensive fraud awareness training programs. These initiatives educate employees about the warning signs of fraud, proper reporting procedures, and the potential consequences of fraudulent behavior. By fostering a culture of vigilance, the organization empowers employees to play an active role in fraud prevention.

Appropriate Remuneration Policy:

The Company has taken significant steps in order to prevent incentives that lead to undesirable behaviour within the organisation, the management applies a realistic and appropriate remuneration policy. The remuneration policy is included in the fraud risk assessment. The management ensures that the remuneration policy promotes integrity and fair business practices.

Managing Director's Report (Contd.....)

Anti-corruption measures and agreements with customers and suppliers:

The Company has developed anti-corruption measures, such as an internal code of conduct contributes to mitigating corruption risks within the organisation. The internal code of conduct includes guidelines and identifies the organisation's values and standards. Among other things, this internal code of conduct sets out the guidelines that the Company and Company's employees should follow when establishing relationships and making agreements with customers and suppliers. It ensures that everyone in the organisation knows how to behave.

Formalized Fraud Risk Assessments:

The Company has established a formalized process for conducting regular fraud risk assessments. This framework evaluates potential risks, identifies control gaps, and establishes appropriate measures to mitigate fraud risks. By conducting these assessments, the organization remains proactive in identifying vulnerabilities and strengthening its anti-fraud measures.

Post balance sheet date events

Since balance sheet date no events occurred, which would change the financial position of the Company and which would require adjustments of or disclosure in the financial statements now presented.

Average number of employees


The Company has no employees during the year under review, hence incurred no salaries, wages and/or related social security charges (Previous year : 0).

By order of the management board

Signed on, 27th June 2024



Rajat Sharma
(Director)



Sanjeev Bedi
(Director)



Balance Sheet as at 31 March 2024

(After proposed appropriation of net result)

	Notes	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
ASSETS			
Fixed Assets			
Financial Fixed Assets			
Participations in group companies	(1)	4,700,314	4,583,214
Long-term loans to group companies	(2)	20,578,993	8,486,482
Prepayments and accrued income	(3)	<u>1,954,734</u>	<u>-</u>
		27,234,041	13,069,696
Current Assets			
Receivables			
Trade debtors	(4)	5,808,834	2,486,967
Receivables from group companies	(5)	18,973,947	5,163,952
Other receivables	(6)	6,258,600	1,672,776
Cash and Cash Equivalents			
Cash at banks	(7.1)	1,269,373	368,049
Term Deposits	(7.2)	1,100,137	-
Remittance in transit	(7.3)	<u>349,691</u>	<u>-</u>
		33,760,582	9,691,745
Total Assets		<u>60,994,623</u>	<u>22,761,441</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Paid-up and issued share capital	(8)	19,458	19,566
Share premium		1,395,223	1,395,223
Currency translation reserve		4,880	4,772
Retained earnings		<u>6,965,353</u>	<u>7,452,364</u>
		8,384,914	8,871,925
Long-Term Liabilities			
	(9)	<u>33,444,005</u>	<u>-</u>
		33,444,005	-
Short Term Liabilities			
Trade creditors	(10)	215,775	29,321
Liability to group companies	(11)	17,957,260	13,118,351
Other liabilities and accrued expenses	(12)	<u>992,669</u>	<u>741,844</u>
		19,165,704	13,889,516
Total Equity and Liabilities		<u>60,994,623</u>	<u>22,761,441</u>

Profit and Loss account for the financial year 2023/2024

	Notes	Audited 2023/2024 USD	Unaudited 2022/2023 USD
Revenue	(13)	110,987,412	52,390,476
Cost of sales	(14)	(107,641,442)	(51,482,160)
Gross result		3,345,970	908,316
Operating expenses			
General and administrative expenses	(15)	(428,203)	(346,776)
Operating result		2,917,767	561,539
Financial expenses	(16)	(2,921,797)	(135,764)
Change in Value of receivables and investments	(17)	(477,880)	-
Result before taxation		(481,910)	425,775
Corporate income tax		-	-
Result after taxation		(481,910)	425,775
Result from subsidiaries	(18)	-	(48,569)
Net result for the year		(481,910)	377,206

Cash Flow Statement for the year ended 31 March 2024

	Audited 2023-24 USD	Unaudited 2022-23 USD
Operating activities		
Operating result before tax	(481,910)	377,206
Non-cash & Non-operative adjustments :		
Depreciation & amortisation	-	-
General Reserve Adjustment	(5,101)	-
Operation result before working capital changes	(487,011)	377,206
Changes in working capital		
Change in Trade Debtors	(3,321,867)	4,276,444
Change in Receivables from group companies	(13,809,995)	364,221
Change in Other receivables including prepayments	(4,585,824)	3,463,220
Change in Prepayments and accrued income	(1,954,734)	6,858
Change in Accounts payable	186,454	29,321
Change in Liability to Group company	4,838,909	(350,252)
Change in other liabilities and accrued expenses	250,825	(7,669,520)
Remittance in transit	(349,691)	-
Cash flow from operating activities (A)	(19,232,934)	497,498
Investing activities		
Participating interest in subsidiaries	(117,100)	493,790
Long term loans to group companies	(12,092,511)	1,134,029
Loan Processing fees	-	43,347
Term Deposits with Banks	(1,100,137)	-
Cash flow from investing activities (B)	(13,309,748)	1,671,166
Financing activities		
Long terms loan taken	33,444,005	(484,937)
Cash flow from Financing activities (C)	33,444,005	(484,937)
Mutation cash and cash equivalents (A+B+C)	901,323	1,683,727
Cash and cash equivalents at 31 March 2024		
Cash and cash equivalents at beginning	368,050	102,090
Mutation cash and cash equivalents	901,323	1,683,727
Cash and cash equivalents at closing	1,269,373	1,785,817

General

The Company is a private limited liability company established under the laws of The Netherlands on May 8, 2012, with its statutory seat in Amsterdam and registered address at Kraijenhoffstraat 137 A, 1018RG Amsterdam, The Netherlands.

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The Company's primary business activities include the wholesale of iron and steel scrap, old non-ferrous metals, and other intermediate products. Additionally, the Company engages in incorporating, participating in, and financing companies and enterprises, as well as any activities related to or conducive to the aforementioned, in the broadest sense of the term.

Going concern

These financial statements have been prepared on a going concern basis, which basis for valuation and determination of results assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Financial year

The Company's financial year begins on April 1st and concludes on March 31st.

Reporting currency

The financial statements of the Company are prepared and presented in the American Dollar (USD), which serves as both the presentation and functional currency of the Company.

Consolidation

In conformity with article 408 of the Dutch Civil Code, Book 2, Title 9, the Company will not prepare consolidated annual accounts as the annual accounts of the Company together with its interest in group entities are included in the consolidated annual accounts of Gravita India Ltd., having its statutory seat in Jaipur, India. These consolidated accounts will be filed with the Chamber of Commerce in Amsterdam.

The previous year

The previous year's figures have been reclassified, whenever necessary, in order to make them look comparable to current year's figures.

General accounting principles for the preparation of the financial statements

Principles for the valuation of assets and liabilities

The annual accounts have been prepared in accordance with accounting principles generally accepted in the Netherlands and are denominated in US Dollars.

Tangible fixed assets

Tangible fixed assets are valued at cost less depreciation and, if applicable, impairment. Depreciation is based on the useful life and calculated as a fixed percentage of the acquisition price, taking into account any residual value.

Receivables, cash and liabilities

Receivables, securities, cash at banks and liabilities are stated at nominal value, unless stated otherwise. Trade debtors are shown at face value less a provision for doubtful debts when appropriate.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments (for which the Company is not specifically obliged in pursuant to any contract) to holders of these instruments are deducted from the shareholder's equity as a part of the profit distribution.

The Company's ordinary shares are classified as equity instruments.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

Principles for Cash Flow Statement

The cash flow statement is prepared according to indirect method. The funds in the cash flow statement consist of cash and cash equivalents.

Long-term liabilities

Long-term liabilities concern loans with a term of longer than one year. The part of the loans that is repayable within the coming financial year, has been included under short-term liabilities. Long-term liabilities are stated after initial recognition at amortized cost.

Foreign currencies

All monetary assets and liabilities denominated in foreign currencies are translated at the official rates of exchange prevailing on the balance sheet date whereas non-monetary assets and liabilities denominated in foreign currencies are translated at the historical rates.

Financial fixed assets

Participations, over which significant influence can be exercised, are valued according to Cost method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction costs. These receivables are subsequently valued at amortised cost price, which is, in general, equal to the nominal value. For determining the value, any depreciation is taken into account.

Related party transactions

An entity is considered as a related party if any of the following conditions prevail:

- The financial and operating activities are controlled by the Company or are controlled by the same party, which includes common control, joint control or significant influence.
- The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

Transaction with related parties were made on terms equivalent to those that prevail in arm's length transaction.

Principles for the determination of the result

Incomes on transactions are recognized in the year in which they accrue. Losses are taken into account as soon as they are foreseeable. Dividend income is accounted for as and when the right to receive it is established.

Income and expenses denominated in foreign currencies are converted at the official rates of exchange prevailing on the transaction date. Translation differences due to exchange rate fluctuations between the transaction date and the settlement date or balance sheet date are taken to the profit and loss account.

Tax on result is calculated by applying the current rate on the result for the financial year in the profit and loss account, taking into account tax losses carry-forward and tax exempt profit elements and after inclusion of non-deductible costs.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales as BTW etc.

Gross operating result

Revenues, net of discounts and value added taxes, resulting from sale of goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer.

Accounts receivable

The accounts receivable appear in nominal value. Doubtful accounts receivables have been depreciated on the basis of individual assessment. Provisions are stated at face value.

Accounts payable

All accounts payable are stated at nominal value and are expected to be paid within one year after the balance sheet date.

				Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
Financial fixed assets					
1. Participations in group companies					
The investments in group companies are comprised as follows:					
Name	Legal seat	Valuation method	Owned		
Navam Lanka Ltd	Mirigama, Sri Lanka	Cost	52%	1,033,000	1,033,000
Gravita Senegal SAU	Dakar, Senegal	Cost	100%	830,000	830,000
Gravita Nicaragua SA	Managua, Nicaragua	Cost	0%	-	-
Gravita USA Inc.	Fremont, CA, USA	Cost	100%	250,000	250,000
Gravita Mozambique Lda.	Maputo., Mozambique	Cost	96%	745,600	745,600
Gravita Jamaica Ltd.	Saint Andrew, Jamaica	Cost	100%	277,881	277,881
Gravita Ventures Ltd.	Dar Es Salaam, Tanzania	Cost	99%	9,133	9,133
Recyclers Gravita Costa Rica SA	Costa Rica	Cost	100%	200,000	200,000
Recyclers Ghana Ltd.	Ghana	Cost	100%	700,000	700,000
Gravita Tanzania Limited	Tanzania	Cost	99%	259,900	259,900
Mozambique Recyclers Lda.	Mozambique	Cost	98%	9,800	9,800
Gravita Conakry SAU	Dominican Republic	Cost	100%	50,000	-
Recyclers South Africa (PTY)L	Peru	Cost	100%	35,000	-
Gravita Mali SA	Mali	Cost	0%	-	17,900
Gravita Togo Sau	Togo	Cost	100%	100,000	100,000
Green Recyclers Mozambique LDA	Mozambique	Cost	99%	200,000	150,000
Balance as at 31 March				<u>4,700,314</u>	<u>4,583,214</u>
<u>Movements in the investments are as follows:</u>					
<u>Navam Lanka Ltd</u>					
Balance as at 1 April				1,033,000	1,033,000
Addition during the year				-	-
Balance as at 31 March				<u>1,033,000</u>	<u>1,033,000</u>
<u>Gravita Senegal SAU</u>					
Balance as at 1 April				830,000	830,000
Addition during the year				-	-
Balance as at 31 March				<u>830,000</u>	<u>830,000</u>
<u>Gravita Nicaragua SA</u>					
Balance as at 1 April				-	643,790
Addition during the year				-	(643,790)
Balance as at 31 March				<u>-</u>	<u>-</u>
During the financial year 2022-23, Gravita Nicaragua SA has been sold for USD 500,000 and loss on sale of investment of USD 143,790 has been booked.					
<u>Gravita USA Inc.</u>					
Balance as at 1 April				250,000	250,000
Addition during the year				-	-
Balance as at 31 March				<u>250,000</u>	<u>250,000</u>
<u>Gravita Mozambique Lda.</u>					
Balance as at 1 April				745,600	745,600
Addition during the year				-	-
Balance as at 31 March				<u>745,600</u>	<u>745,600</u>

Notes to the Balance Sheet (continued)

	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
1. Participating interest in subsidiary (continued)		
<u>Movements in the investments are as follows:</u>		
<u>Gravita Jamaica Ltd.</u>		
Balance as at 1 April	277,881	277,881
Addition during the year	-	-
Balance as at 31 March	<u>277,881</u>	<u>277,881</u>
During the financial year 2023-24, the management has decided to create impairment provision against the investment in Gravita Jamaica Limited amounting to USD 277,881.		
<u>Gravita Ventures Ltd.</u>		
Balance as at 1 April	9,133	9,133
Addition during the year	-	-
Balance as at 31 March	<u>9,133</u>	<u>9,133</u>
<u>Recyclers Gravita Costa Rica SA</u>		
Balance as at 1 April	200,000	200,000
Addition during the year	-	-
Balance as at 31 March	<u>200,000</u>	<u>200,000</u>
During the financial year 2023-24, the management has decided to create impairment provision against the investment in Recyclers Gravita Costa Rica SA amounting to USD 2,00,000.		
<u>Recyclers Ghana Ltd.</u>		
Balance as at 1 April	700,000	700,000
Addition during the year	-	-
Balance as at 31 March	<u>700,000</u>	<u>700,000</u>
<u>Gravita Tanzania Limited</u>		
Balance as at 1 April	259,900	259,900
Addition during the year	-	-
Balance as at 31 March	<u>259,900</u>	<u>259,900</u>
<u>Mozambique Recyclers Lda.</u>		
Balance as at 1 April	9,800	9,800
Addition during the year	-	-
Balance as at 31 March	<u>9,800</u>	<u>9,800</u>
<u>Gravita Conakry SAU</u>		
Balance as at 1 April	-	-
Addition during the year	50,000	-
Balance as at 31 March	<u>50,000</u>	<u>-</u>
During the financial year, the Company has made investment of USD 50,0000 in Gravita Conakry SAU.		
<u>Recyclers South Africa (PTY)L</u>		
Balance as at 1 April	-	-
Addition during the year	35,000	-
Balance as at 31 March	<u>35,000</u>	<u>-</u>
During the financial year, the Company has made investment of USD 35,0000 in Recyclers South Africa (PTY)L.		

Notes to the Balance Sheet (continued)

	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
1. Participating interest in subsidiary (continued)		
<u>Movements in the investments are as follows:</u>		
<u>Gravita Mali SA</u>		
Balance as at 1 April	17,900	17,900
Addition during the year	(17,900)	-
Balance as at 31 March	<u>-</u>	<u>17,900</u>
During the year, the management has decided to write off participating interest in Gravita Mali SA of USD 17,900.		
<u>Gravita Togo Sau</u>		
Balance as at 1 April	100,000	100,000
Addition during the year	-	-
Balance as at 31 March	<u>100,000</u>	<u>100,000</u>
<u>Green Recyclers Mozambique LDA</u>		
Balance as at 1 April	150,000	-
Addition during the year	50,000	150,000
Balance as at 31 March	<u>200,000</u>	<u>150,000</u>
During the year, the company has made an additional investment of USD 50,000 in Green Recyclers Mozambique LDA.		
2. Long term loans to group companies		
Loan to Gravita Nicaragua SA	-	145,769
Loan to Gravita Togo Sau	5,477,725	3,258,877
Loan to Recyclers Ghana Ltd.	9,083,803	2,239,418
Loan to Senegal Sau	6,017,465	2,842,418
	<u>20,578,993</u>	<u>8,486,482</u>
<u>Movements in the loans are as follows:</u>		
<u>Loan to Gravita Nicaragua SA</u>		
Balance as at 1 April	145,769	987,033
Movement during the year	(146,062)	(858,489)
Interest during the year	293	17,225
Balance as at 31 March	<u>-</u>	<u>145,769</u>
<u>Loan to Gravita Togo S.A.U</u>		
Balance as at 1 April	3,258,877	201,214
Movement during the year	1,875,905	2,950,000
Interest during the year	342,943	107,663
Balance as at 31 March	<u>5,477,725</u>	<u>3,258,877</u>
On March 18, 2024, an addendum to the original loan agreement was executed, raising the loan credit facility for Gravita Togo SAU to USD 7,000,000, with an interest rate of SOFR + 2.25% per annum, compounded monthly, for a duration of 60 months.		
<u>Loan to Recyclers Ghana Limited.</u>		
Balance as at 1 April	2,239,418	6,706,727
Movement during the year	6,313,555	(4,600,000)
Interest during the year	530,830	132,691
Balance as at 31 March	<u>9,083,803</u>	<u>2,239,418</u>

Notes to the Balance Sheet (continued)

Audited	Unaudited
<u>31-Mar-2024</u>	<u>31-Mar-2023</u>
USD	USD

2. Long term loans to group companies (continued)

On July 01, 2023, an addendum to the original loan agreement was executed, increasing the loan credit facility for Recyclers Ghana Limited to USD 10,000,000, with an interest rate of SOFR+2.50% per annum, compounded monthly, for a duration of 60 months.

Movements in the loans are as follows:

Loan to Gravita Senegal S.A.U.

Balance as at 1 April	2,842,418	-
Movement during the year	2,690,000	2,775,000
Interest during the year	485,047	67,418
Balance as at 31 March	<u>6,017,465</u>	<u>2,842,418</u>

On June 09, 2023, an addendum to the original loan agreement was executed, increasing the loan credit facility for Gravita Senegal S.A.U. to USD 5,500,000. The interest rate is set at SOFR+4% per annum, compounded monthly, for a duration of 60 months

3. Prepayments and accrued income

Corporate Guarantee Assets	2,392,030	-
Less- Amortisations for the year	(437,295)	-
	<u>1,954,735</u>	<u>-</u>

During the financial year, the company has paid USD 2,392,030 to Gravita India limited toward Corporate guarantee on the long term loan facility availed. This will be expensed out over the period of 7 Years.

4. Trade debtors

Trade receivable-others	5,808,834	2,486,967
	<u>5,808,834</u>	<u>2,486,967</u>

No provision for doubtful debtors is deemed necessary.

Notes to the Balance Sheet (continued)

	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
5. Receivables from group companies		
Gravita Jamaica Ltd.	-	258,306
Gravita Gulf DMCC	22,712	-
Gravita Recyclers Ghana	480,383	469,250
Gravita Dominican S.A.S.	12,145	-
Gravita Tanzania Limited	-	4,628
Gravita Togo	190,678	94,613
Gravita Senegal	211,334	197,529
Gravita Mozambique	15,561	30,208
Navam Lanka Ltd	2,418	6,323
Recyclers Gravita Costa Rica SA	-	31,963
Recyclers South Africa	6,623	-
Trade receivable-Group company	18,032,093	2,653,365
Loan to Gravita Jamaica Ltd.	-	1,135,588
Loan to Recyclers Gravita Costa Rica SA	-	280,854
Loan to Mozambique Recyclers Lda.	-	1,325
	<u>18,973,947</u>	<u>5,163,952</u>

During the year, management decided to write off receivables of USD 258,306 from Gravita Jamaica Ltd, USD 31,963 from Recyclers Gravita Costa Rica SA, and USD 4,628 from Gravita Tanzania Limited as they were deemed irrecoverable.

Movements in the loans are as follows:

Loan to Gravita Jamaica Ltd.

Balance as at 1 April	1,135,588	1,278,402
Movement during the year	(1,163,569)	(175,000)
Interest during the year	27,981	32,186
Balance as at 31 March	<u>-</u>	<u>1,135,588</u>

Throughout the year, Gravita Jamaica Ltd. paid an outstanding loan of USD 34,531. Additionally, management opted to write off USD 1,128,567 due to the company's cessation of operations, deeming the outstanding amount irrecoverable.

Loan to Recyclers Gravita Costa Rica SA

Balance as at 1 April	280,854	273,924
Movement during the year	(287,955)	-
Interest during the year	7,101	6,930
Balance as at 31 March	<u>-</u>	<u>280,854</u>

Throughout the year, Recyclers Gravita Costa Rica SA repaid the outstanding loan of USD 131. Moreover, the management has decided to write off USD 287,344 because the company ceased operations, rendering the outstanding amount irrecoverable.

Loan to Mozambique Recyclers Lda.

Balance as at 1 April	1,325	173,211
Movement during the year	(1,574)	(173,566)
Interest during the year	249	1,680
Balance as at 31 March	<u>-</u>	<u>1,325</u>

During the financial year, Mozambique Recyclers Lda has fully repaid the outstanding loan amount.

Notes to the Balance Sheet (continued)

	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
6. Other receivables including prepayments		
Advance to suppliers	4,758,617	1,672,776
Prepaid expenses	573,747	-
VAT receivable	2,565	-
ICICI Bank-FDR Accrued Interest	17,833	-
Other receivable-Hedging	905,838	-
	<u>6,258,600</u>	<u>1,672,776</u>
7. Cash and cash equivalents		
7.1 Cash at banks		
ICICI Bank PLC	1,268,557	368,050
Standard Chartered Bank	815	-
	<u>1,269,372</u>	<u>368,049</u>
Cash at Bank are at free disposal of the company.		
7.2 Term Deposits		
Fixed Deposits	1,100,137	-
	<u>1,100,137</u>	<u>-</u>
<u>Fixed Deposits</u>		
During the year, the company engaged in multiple term deposit transactions with ICICI Bank UK PLC: EUR 250,000 was deposited on July 6, 2023, with a term of one year; EUR 260,000 was deposited on July 19, 2023, also for one year; and USD 550,000 was deposited on February 21, 2024, with a term of three months.		
7.3 Remittance in transit		
Cash in transit	349,691	-
	<u>349,691</u>	<u>-</u>

On March 31, 2024, an amount of USD 349,691 was transferred from its group company debtor "Gravita India Ltd"; however, this amount was not received in the bank account by the closing date. Consequently, it was recorded as "remittance in transit" under cash and cash equivalents.

Notes to the Balance Sheet (continued)*(in USD)***8. Shareholders' equity**

	<i>Share capital</i>	<i>Share premium</i>	<i>Translation reserve</i>	<i>Retained earnings</i>	<i>Result</i>	<i>Total</i>
Balance as at 1 April, 2023	19,566	1,395,223	4,772	7,452,364	-	8,871,925
Allocation of result	-	-	-	(481,910)	481,910	-
Movements during the year	(108)	-	108	(5,101)	-	(5,101)
Result for the year	-	-	-	-	(481,910)	(481,910)
Balance as at 31 March, 2024	<u>19,458</u>	<u>1,395,223</u>	<u>4,880</u>	<u>6,965,353</u>	<u>-</u>	<u>8,384,914</u>
Balance as at 1 April, 2022	19,926	1,395,223	4,412	7,075,158	-	8,494,719
Allocation of result	-	-	-	377,206	(377,206)	-
Movements during the year	(360)	-	360	-	-	-
Result for the year	-	-	-	-	377,206	377,206
Balance as at 31 March, 2023	<u>19,566</u>	<u>1,395,223</u>	<u>4,772</u>	<u>7,452,364</u>	<u>-</u>	<u>8,871,925</u>

The authorized share capital of Gravita Netherlands B.V. is Euro 90,000, divided into 900 ordinary shares of Euro 100 each. The issued and paid-up share capital amounts to Euro 18,000 and consists of 180 ordinary shares with a nominal value of Euro 100 each.

In accordance with Article 373 (5) of Title 9 of Book 2 of the Dutch Civil Code the issued and paid-up capital is translated into US Dollars at the rate of exchange ruling at the balance sheet date (EUR 1 = USD 1.0811 on 31 March 2024 and EUR 1 = USD 1.107 on 31 March 2023).

Differences arising from the translation into US Dollars of the Company's Euro issued and paid-up capital are maintained in a Translation reserve.

Notes to the Balance Sheet (continued)

	Audited 31-Mar-2024 USD	Unaudited 31-Mar-2023 USD
9. Long-term liabilities		
SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A. ("PROPARCO")	16,722,003	-
OESTERREICHISCHE ENTWICKLUNGSBANK AG ("OeEB"),	16,722,003	-
	<u>33,444,005</u>	<u>-</u>

On May 2, 2023, the Company entered into a loan agreement with SOCIETE DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A. ("PROPARCO") and OESTERREICHISCHE ENTWICKLUNGSBANK AG ("OeEB"), for a total amount of EUR 34,000,000. The loan bears interest rate of EURIBOR + 2.95% per annum. The loan shall be repaid in 15 quarterly instalments from the disbursement date.

	31-Mar-2024 USD	31-Mar-2023 USD
Loan from SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A. ("PROPARCO")		
<u>Movements in the loan is as follows:</u>		
Opening balance	-	-
Addition during the year	16,831,361	-
Movement during the year	(108,324)	-
Repayment during the year	(831,367)	-
Interest during the year	830,332	-
Closing balance	<u>16,722,003</u>	<u>-</u>

Loan from 'OESTERREICHISCHE ENTWICKLUNGSBANK AG ("OeEB")

Movements in the loan is as follows:

Opening balance	-	-
Addition during the year	16,831,361	-
Movement during the year	(108,324)	-
Repayment during the year	(831,367)	-
Interest during the year	830,332	-
Closing balance	<u>16,722,003</u>	<u>-</u>

10. Trade creditors

Trade creditors	215,775	29,321
	<u>215,775</u>	<u>29,321</u>

Notes to the Balance Sheet (continued)

	Audited <u>31-Mar-2024</u> USD	Unaudited <u>31-Mar-2023</u> USD
11. Liability to group companies		
Advance from customers-Group companies	6,072,224	2,673,870
Loan from Gravita Global PTE Ltd	259,966	270,558
Loan from Gravita Mozambique LDA	1,248,041	1,145,874
Loan from Gravita USA Inc.	440,503	470,000
Gravita Global Pte. Ltd.	776	861
Gravita USA Inc.	2,406	2,407
Mozambique Recyclers Lda.	3,307	(1,542)
Current account - Gravita India Limited	1,005	113,996
Trade Payables-Group company	9,929,032	8,442,327
	<u>17,957,260</u>	<u>13,118,351</u>
 Loan from Gravita Global PTE Ltd		
<u>Movements in the loan is as follows:</u>		
Balance as at 1 April	270,558	232,455
Movement during the year	(15,789)	32,800
Interest during the year	5,197	5,303
Balance as at 31 March	<u>259,966</u>	<u>270,558</u>
 Loan from Gravita Mozambique LDA		
<u>Movements in the loan is as follows:</u>		
Balance as at 1 April	1,145,874	1,151,116
Movement during the year	-	(80,109)
Interest during the year	102,167	74,867
Balance as at 31 March	<u>1,248,041</u>	<u>1,145,874</u>
 Loan from Gravita USA Inc.		
<u>Movements in the loan is as follows:</u>		
Balance as at 1 April	470,000	356,588
Movement during the year	(65,461)	87,518
Interest during the year	35,964	25,894
Balance as at 31 March	<u>440,503</u>	<u>470,000</u>
 12. Other liabilities and accrued expenses		
Accrued liabilities	-	42,021
Advance from customers-International.	364,860	672,790
Provision for impairment	487,013	27,033
Provision for audit fees	27,768	-
Provision for legal fees	14,300	-
Provision for sales commission	10,374	-
Provision for detention & demurrage	2,358	-
Provision for interest expense	85,997	-
	<u>992,669</u>	<u>741,844</u>

Notes to the Profit and Loss account

	Audited 2023/2024	Unaudited 2022/2023
	USD	USD
13. Revenue		
Operating income	110,987,412	52,390,476
<u>Operating income</u>		
Sale of goods	109,745,170	52,323,907
Quality claim	(319,139)	(299,226)
Interest income	1,414,193	365,794
Rebate & discount on sales	147,188	-
	110,987,412	52,390,476
14. Cost of sales		
Cost of goods	(107,498,114)	(51,376,096)
Interest expenses - Inter unit loans & advances	(143,328)	(106,064)
	(107,641,442)	(51,482,160)
<u>Cost of goods</u>		
Purchase	(107,796,149)	(51,670,227)
Purchase price differences/claims	8,480	11,232
Quality claim-Purchase	289,555	282,899
	(107,498,114)	(51,376,096)
15. General and administrative expenses		
Audit fees	(27,768)	-
Commission & brokerage expenses	(244,959)	(265,467)
Freight charges	6,782	4,429
Insurance expense	(1,335)	-
Legal expenses	(57,568)	(43)
Management fees	(39,161)	(35,774)
Office rent	(641)	(635)
Postage & courier expenses	(323)	(80)
Professional expenses	(34,551)	(46,768)
Service charges expenses	(28,679)	(2,438)
	(428,203)	(346,776)
Accommodation expenses		
Rent	(641)	(635)
	(641)	(635)
16. Financial expenses		
Balance written off	(1,830,424)	(14,590)
Bank charges	(33,500)	(27,032)
Bank commission guarantee charges	-	(17,800)
Corporate guarantee expenses	(437,295)	(17,575)
Credit monitoring fees	-	(2,112)
Currency exchange result	655,031	(658)
Income from Hedging	553,235	-
Interest expenses - Term loan	(1,750,637)	(12,650)
Loan processing fees / borrowing charges	(78,209)	(43,347)
	(2,921,797)	(135,764)

Notes to the Profit and Loss account

	Audited 2023/2024 USD	Unaudited 2022/2023 USD
17. Change in Value of receivables and investments		
Diminution in value of Investment in Gravita Jamaica	(277,880)	-
Diminution in value of Investment in Gravita Costa Rica	(200,000)	-
	<u>(477,880)</u>	<u>-</u>
18. Result from subsidiaries		
Dividend Income- Gravita Mozambique	-	511,117
Dividend Income- Navam Lanka Ltd.	-	(415,896)
Dividend Income- Gravita Senegal SAU	-	(143,790)
	<u>-</u>	<u>(48,569)</u>

Average number of employees

The Company has no employees during the year under review, hence incurred no salaries, wages and/or related social security charges (Previous year : 0).

Directors

The Company had two directors during the year who receives remuneration (2022/2023 : two).

Management

The management of the Company herewith declares to agree with the balance sheet as at 31 March 2024 as well as with the profit and loss account for the period 01 April 2023 to 31 March 2024.

Signed on, 27th June 2024


Gravita Global Pte. Ltd.


Sanjeev Bedi



Other Information

Statutory appropriation of result

Based on the Company's articles of association the result shall be at the disposal of the general meeting of shareholders.

Proposed appropriation of result

The Board of Directors proposes to add the result of the year ended 31 March 2024 amounting to USD 4,81,910 (loss) to the other reserves. This proposal has been incorporated in the financial statements, anticipating the adoption of the financial statements by the General Meeting of Shareholders.

Auditors report

Auditors report is attached on next page.