



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, 2019, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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.





Swarnkar & Co

Chartered Accountants

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, 2019, 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



Date: 08/05/2019

Place: Jaipur

Gravita USA INC
Balance sheet
As at March 31, 2019

Value in USD

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non - current assets			
(a) Property, Plant and Equipment	1	1,658.17	2,262.00
(b) Financial Assets			
(i) Loans	5	1,455,188.48	-
		1,456,846.65	2,262.00
2 Current assets			
(a) Financial Assets			
(i) Trade receivables	2	45,750.18	973,784.84
(ii) Cash and cash equivalents	4	9,809.84	31,542.99
(b) Other current assets	3	359,089.68	668,156.33
		414,649.70	1,673,484.16
Total Assets		1,871,496.35	1,675,746.16
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity : Share capital	6	220,000.00	220,000.00
(b) Other equity		96,714.81	47,474.54
Equity attributable to owners of the Company		316,714.81	267,474.54
2 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	8	1,541,776.81	1,391,642.99
(b) Provisions	7	-	11,241.40
(c) Current tax Liabilities (net)	9	13,005.00	5,387.23
		1,554,781.81	1,408,271.62
		1,554,781.81	1,408,271.62
Total Equity and Liabilities		1,871,496.62	1,675,746.16

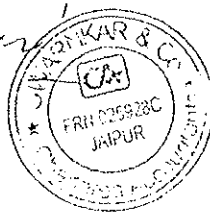
See accompanying notes to the financial statements

1 to 16

For Swarnkar & Co.
Chartered Accountant
FRN 025928C

Deepak Kumar Swarnkar
Proprietor
M No 424940

Place: Jaipur
Date: 08/05/2019



For and on behalf of the Board of Directors

Rajat Agrawal
(Director)



Gravita USA INC
Statement of profit and loss
For the year ended March 31, 2019

Value in USD

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from operations	10	7,090,255.10	11,262,956.09
II Other income	11	32,471.72	6.33
III Total income (I + II)		7,122,726.82	11,262,962.42
IV Expenses:			
(a) Cost of materials consumed			
(b) Excise duty			
(c) Purchases of Stock-in-trade			
(d) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	12	6,712,672.27	10,716,782.64
(e) Employee benefits expense	13	217,574.66	201,722.38
(f) Finance costs			
(g) Depreciation and amortisation expense	14	603.83	1,316.28
(h) Other expenses	15	128,913.69	165,576.41
Total expenses (IV)		7,059,764.45	11,085,397.71
V Share of profit of associates			
VI Profit before tax (III - IV + V)		62,962.37	177,564.71
VI Tax expense:			
(a) Current tax			
Excess provision for tax relating to earlier years written back	16	13,722.10	5,387.00
(b) Deferred tax charge			
		13,722.10	5,387.00
VIII Profit for the year (VI - VII)		49,240.27	172,177.71

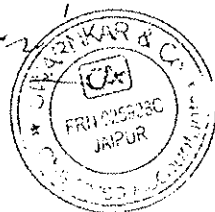
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1 to 16

For Swarnkar & Co.
Chartered Accountant
FRN 025928C

Deepak Kumar Swarnkar
Proprietor
M No 424940

Place: Jalpur
Date: 08/05/2019



For and on behalf of the Board of Directors

Rajat Agrawal
(Director)



Note 1 - Property, Plant and Equipment

As at Mar 31, 2019 and March 31, 2018

Value in USD

Particulars	Computer and accessories	Vehicles	Total
Cost			
As at March 31, 2017	2881	16308	19,189.00
Additions during the year	139		139.00
Disposals/ Adjustments		-16308	-16,308.00
As at March 31, 2018	3,020.00	-	3,020.00
Additions during the year	-	-	-
Disposals/ Adjustments	-	-	-
Translation difference	-	-	-
As at Mar 31, 2019	3,020.00	-	3,020.00
Depreciation			
As at March 31, 2017	193	2935	3,128.00
Charge for the year	565	751	1,316.00
Deletions	0	-3686	-3,686.00
As at March 31, 2018	758.00	-	758.00
Charge for the year	603.83		603.83
Deletions			-
Translation difference			-
As at Mar 31, 2019	1,361.83	-	1,361.83
Net block			
As at Mar 31, 2019	1,658.17	-	1,658.17
As at March 31, 2018	2,262.00	0	2,262.00
As at March 31, 2017	2688	13373	16,061.00

Gravita USA INC
Notes forming part of the financial statements

Note 2 - Trade receivables

Particulars	As at Mar 31, 2019	As at March 31, 2018
Unsecured, considered good	-	973,784.84
	45,750.18	973,784.84

Note 3 - Other assets

Particulars	As at Mar 31, 2019	As at March 31, 2018
Current		
Advances to related parties	350,252.15	660,251.95
Advances to vendors	303.00	-
Advances to employees	-	1,321.93
Prepaid expenses	8,534.53	6,582.45
Total	359,089.68	668,156.33

Note 4 - Cash and cash equivalents

Particulars	As at Mar 31, 2019	As at March 31, 2018
(a) Cash and cash equivalents		
Balances with banks -on current accounts	9,809.84	31,542.99
Total	9,809.84	31,542.99

Note 5 - Loans

Particulars	As at Mar 31, 2019	As at March 31, 2018
(a) Non current, Unsecured, considered good		
(ii) Loan to related parties	1,455,188.48	-
Total (a)	1,455,188.48	-

Note 6 - Equity share capital

Particulars	As at Mar 31, 2019	As at March 31, 2018
Authorised		
1500 Equity shares of USD 1000 each	1,500,000.00	1,500,000.00
	1,500,000.00	1,500,000.00
(a) Issued, subscribed and fully paid up		
220 Equity shares of Rs. USD 1000 each	220,000.00	220,000.00
	220,000.00	220,000.00



Note 6 (b) Other Equity

Particulars	Value in USD	
	As at	As at
	Mar 31, 2019	March 31, 2018
Opening balance	47474.53734	-124703.17
1. Profit for the year	89240.27	172177.7073
Total comprehensive income for the year	136714.8073	47474.53734
Closing balance	136714.8073	47474.53734

Note 7 - Provisions

Particulars	Value in USD	
	As at	As at
	Mar 31, 2019	March 31, 2018
(b) Other than Long term		
Provision for compensated absences	-	11241.4
	-	11,241.40

Note 8 - Trade payables

Particulars	Value in USD	
	As at	As at
	Mar 31, 2019	March 31, 2018
Outstanding dues to Micro and Small enterprises		
Outstanding dues to parties other than Micro and Small enterpris	1,541,776.81	1,391,642.99
Sundry creditors	3,053.81	1391642.99
Sundry creditors Related Party	1,538,723.00	
	1,541,776.81	1,391,642.99

Note 9 - Tax Liabilities (Net)

Particulars	Value in USD	
	As at	As at
	Mar 31, 2019	March 31, 2018
Tax liabilities		
Provision for taxation	23,505.33	5387.23
	23,505.33	5,387.23

Note 10 - Revenue from operations

Particulars	Value in USD	
	For the period ended	For the year ended
	Mar 31, 2019	March 31, 2018
Traded goods	7,090,255.10	11262956.09
Total	7,090,255.10	11,262,956.09
Revenue from operations	7,090,255.10	11,262,956.09

Note 11 - Other income

Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
(a) Interest income		
Interest income earned on financial assets that are not designated as at fair value through profit and loss		
On bank deposits (at amortised cost)	-	6.33
On others	32,471.72	-
Total	32,471.72	6.33

Note 12 - Purchase of stock-in-trade

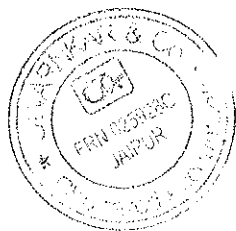
Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
Others	6,712,672.27	107.17
	6,712,672.27	107.17

Note 13 - Employee benefits expense

Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
(i) Salaries and wages	217,574.66	200,352.37
(iv) Staff welfare expenses	-	1,370.01
	217,574.66	201,722.38

Note 14 - Depreciation and amortisation expense

Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
(a) Depreciation of Property, Plant and Equipment	603.83	1,316.28
	603.83	1,316.28



Note 15 - Other expenses

Value in USD

Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
Rates and taxes	4,289.00	
Legal and professional	4,804.79	8006.25
Freight and forwarding	6,247.56	16870.29
Travelling and conveyance	7,034.39	5366.18
Insurance	-	536.12
Rent	9,638.92	12899.58
Sales commission	23,002.25	29835.7
Communication	2,249.57	3710.57
Printing and stationery	343.73	309.7
Payment to auditors	141.38	0
Written off/provision for doubtful trade receivables, loans and advances	50,000.00	46619.9
Net loss on foreign currency transactions and translation		4221.55
Bank charges	19,564.42	34994.35
Miscellaneous expenses	1,597.68	2206.22
	128,913.69	165,576.41

Note 16 - Tax expense

Value in USD

Particulars	For the period ended Mar 31, 2019	For the year ended March 31, 2018
(a) Current Tax		
Current tax expense	13,722.10	5387
Short provision for tax relating to prior years		
	13,722.10	5,387.00

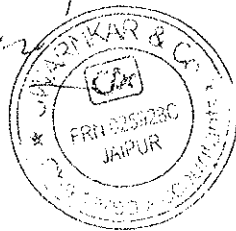
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