



Philip Nevitt & Associados, Lda
Chartered Accountants
Auditores Certificados

GRAVITA MOZAMBIQUE, LIMITADA

AUDIIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2019

PNA-Auditores

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INDEPENDENT AUDITORS' REPORT

To the members of Gravita Mozambique, Limitada

Opinion

We have audited the accompanying financial statements of Gravita Mozambique, Limitada (referred to as the Entity), which comprise the Balance Sheet at 31 March, 2019 and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the period then ended and the notes to the Financial Statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in Mozambique and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Reporting Standards in Mozambique. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are 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.

Auditors' responsibilities

Our objectives are to obtain reasonable assurance about whether the Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. 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 the Financial Statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain 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 misrepresentation or the overriding of internal control.

- Obtain an understanding of the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director'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 Equity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 Auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions in a manner that achieves fair presentation.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards

From the matters communicated to the Board of Directors, we determine those matters that were of most significant in the audit of the Financial Statements of the current period and are therefore the key audit matters.

The engagement partner on the audit resulting from this independent auditors' report was Philip Nevitt – registered auditor in Mozambique (number 48).

PNA Auditores UP, Limitads

Registered Mozambican Auditors

(Firms registered number 15/CA/OCAM/2015)

Philip Nevitt fca

Maputo, 5 May, 2019



Financial statements

For the year ended 31 March 2019

Director's responsibility statement

The management is responsible for the preparation and fair presentation of the annual financial statements of Gravita Mozambique, Limitada, comprising the balance sheet at 31 March 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS).

The management's responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are 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 management's responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The management acknowledges that it is ultimately responsible for the system of internal financial control established by the business and places considerable importance on maintaining a strong control environment. To enable the management to meet these responsibilities, it sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include a proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and an adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the business and all employees are required to maintain the highest ethical standards in ensuring that the business is conducted in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the business is on identifying, assessing, managing and monitoring all known forms of risk across the business. While operating risk cannot be fully eliminated, the business endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within pre-determined procedures and constraints.

The management is of the opinion, based on the information and explanations given to it, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can only provide reasonable and not absolute assurance against material misstatement or loss.

The management has reviewed the business's cash flow for the forthcoming year and in the light of this review and the current financial position, is satisfied that the business has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the business' financial statements and their report is included.



Approval of the annual financial statements

The annual financial statements of Gravita Mozambique, Limitada as identified in the first paragraph, were approved by the Board of Directors on 15 May 2019 and signed on their behalf by:-

Director *Fajal Bana*



**BALANCE SHEET
AT 31 MARCH, 2019**

	<i>Note</i>	31-Mar-19 Meticais	31-Mar-18 Meticais
ASSETS			
Non- current assets		26,439,483	12,591,031
Property, plant and equipment	2	7,656,979	10,385,428
Capital work in progress	2	16,569,690	271,787
Loans and advances	9	2,212,815	1,933,815
Current assets		290,782,255	220,147,469
Inventories	7	42,792,658	41,943,150
Trade receivables	4	230,574,654	171,258,130
Other receivables	5	1,473,592	-
Other current assets	6	10,898,474	2,311,808
Cash and cash equivalents	8	5,042,877	4,634,382
Total assets		317,221,739	232,738,500
LIABILITIES			
Capital and reserves		259,325,595	205,906,825
Social capital	10	7,905,000	7,905,000
Accumulated reserves		251,420,595	198,001,825
Non-current liabilities	12	598,667	193,372
Current liabilities		57,297,477	26,638,303
Borrowings	13	31,246,889	12,815,573
Trade payables	14	23,056,655	892,397
Other financial liabilities	11	81,511	-
Current tax liability	15	2,912,422	12,930,333
Total equity and liabilities		317,221,739	232,738,500

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH, 2019

	Note	31-Mar-19 Meticais	31-Mar-18 Meticais
Revenue form operations	16	609,851,834	685,920,595
Other income	17	5,929,322	11,041
Total income		615,781,155	685,931,636
Expenses		553,001,876	605,117,055
Cost of materials consumed	18	302,420,992	347,581,018
Purchases of stock in trade	19	159,604,160	165,385,728
Changes in inventories	20	(2,843,794)	(3,811,331)
Employee benefit expense	21	25,794,661	20,370,701
Finance costs	22	1,705,831	534,917
Depreciation and amortisation	23	3,479,732	2,924,622
Other expenses	24	62,840,294	72,131,400
Profit before tax		62,779,279	80,814,581
Current tax	25	9,360,510	12,930,333
Net profit for the year		53,418,769	67,884,248

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH, 2019**

	31-Mar-19 Meticals	31-Mar-18 Meticals
Balance at 1 April	205,906,826	138,022,568
Social capital	7,905,000	7,905,000
Accumulated reserves	198,001,826	130,117,568
Movements during year	53,418,769	67,884,258
Profit	62,779,279	80,814,591
Current corporation tax	(9,360,510)	(12,930,333)
Balance at 31 March	259,325,595	205,906,826
Social capital	7,905,000	7,905,000
Accumulated reserves	251,420,595	198,001,826

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH, 2019**

	31-Mar-19 Meticals	31-Mar-18 Meticals
Net profit for the year after tax	53,418,769	67,884,248
Adjustments	(738,758)	3,448,498
Depreciation	3,479,732	2,924,622
Forex exchange gains -net	(5,906,891)	-
Financial results	1,688,400	523,876
Adjusted profit for year	52,680,011	71,332,746
Movement on working capital	(39,161,821)	(61,629,262)
Inventories	(849,509)	123,486
Trade and other receivables	(69,376,782)	(53,804,286)
Trade and other payables	31,064,469	(7,948,462)
Operational activity	13,518,189	9,703,484
Investment activity	(17,328,185)	(6,170,910)
Additions to fixed assets	(17,049,185)	(6,252,412)
Long term assets	(279,000)	81,502
Finance activity	4,218,491	(523,876)
Forex exchange gains -net	5,906,891	-
Interest	(1,688,400)	(523,876)
Movement of cash or equivalents	408,495	3,008,698
Balance at beginning of year	4,634,382	1,625,684
Balance at 31 March	5,042,877	4,634,382

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Financial Statements

For the year ended 31 March 2019

Notes to the financial statements

Significant accounting policies

1. Incorporation and activities

The company is a privately owned quota capital company with limited liability, incorporated in 2012, with its head office and factory in Matola, Mozambique. Its main activity is the recycling of automotive batteries to obtain its lead, aluminum and other components for export.

2. Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

2.1.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

The financial statements were authorized for issue by the Board of Directors on 15 May, 2019.

2.1.2 Basis of measurement

The financial statements are prepared on a historical cost basis except for the modification by the valuation of property, plant and equipment.

Functional currency

The company's functional currency is the Mozambican metical, being the currency of the primary economic environment in which it operates and the currency in which the accounting records are maintained.

2.2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods in the financial statements except where specifically stated.

a). foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the balance sheet. Foreign exchange differences arising on the translations are recognized in the comprehensive income statement.

b). Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation.

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Depreciation is calculated on the straight line method to write off the cost of each asset, or the revalued amounts, at the pre-determined rates in accordance with Mozambican fiscal laws. The annual depreciation rates in respect of the major categories of property, plant and equipment are as follows:

Asset	%
Leasehold improvements	20
Plant and machinery	25
Motor vehicles	25
Office equipment and furniture	10-15
Intangible assets	33.33

The company has obtained certain tax benefits from their application to the Mozambican Investment Centre (CPI-Gazeba). As a result, the company can elect to utilize accelerated depreciation rates.

Depreciation methods, useful lives and residual values are re-assessed at the reporting date. Gains or losses on the disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating results.

c). Impairment of non-financial assets

The carrying amounts of the company's non-financial assets are reviewed at each financial year end to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

d). Revenue recognition

Revenue is recognized upon delivery of the products and customer acceptance, if any, or performance of services, net of trade discounts and obligatory transaction taxes.

e). Taxation

Income tax on the profits of an accounting period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

Under the provisions of benefits to the company from the agreement with GAZEDA, the company has tax concessions as follows:

Corporation tax – ISPC	first five years of trading 2013 to 2017	full exemption
	Sixth to tenth year 2018 to 2022	50% reduction
	Thereafter	25% reduction

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Value added tax – IVA for all internal purchases to achieve its object, full exemption

f). Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

g). Customer receivables

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end.

h). Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, bank balances and deposits held with bankers. Bank overdrafts are shown as current liabilities.

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Note 2 - Property, Plant and Equipment

Particulars	(MZN)								
	As at Mar 31, 2019	As at Mar 31, 2018	Buildings	Plant and equipments	Office Equipment	Computer and accessories	Furniture and fixtures	Vehicles	Total
As at March 31, 2017									
Additions during the year	96,421.70	6,948,639.34	49,257.26	116,918.04	102,352.09	2,411,769.70	9,725,358.13		
Disposals/ Adjustments	-	4,879,961.30	62,739.98	55,110.00	53,069.40	1,299,380.00	6,350,360.68		
As at March 31, 2018	96,421.70	11,452,037.97	110,639.98	172,028.04	155,421.49	3,711,149.70	15,697,696.88		
Additions during the year	-	716,366.21	67,615.01	-	-	-	784,181.22		
Disposals/ Adjustments	-	-38,580.00	-38,580.00	-	-	-	-38,580.00		
As at Mar 31, 2019	96,421.70	12,168,604.18	139,674.99	172,028.04	155,421.49	3,711,149.70	16,443,300.10		
Depreciation									
As at March 31, 2017									
Charge for the year	30,772.22	33,990.87	33,990.87	20,063.28	29,306.79	499,123.24	2,610,932.06		
Deletions	5,482.13	2,093,790.05	11,334.37	15,789.63	25,058.33	773,167.11	2,924,621.62		
As at March 31, 2018	36,259.35	3,868,296.55	45,206.25	35,852.91	54,365.12	1,272,290.35	5,312,270.53		
Charge for the year	5,482.13	28,825.36	28,825.36	17,170.84	36,993.92	819,465.28	3,479,732.31		
Deletions	-	5,681.30	5,681.30	-	-	-	-5,681.30		
As at Mar 31, 2019	41,741.48	6,440,091.33	68,350.31	53,023.75	91,359.04	2,091,755.63	8,786,321.42		
Net block									
As at Mar 31, 2019	54,680.22	5,728,512.85	71,324.68	119,004.29	64,062.45	1,619,394.07	7,656,978.68		
As at March 31, 2018	60,162.35	7,583,741.42	65,433.73	136,175.13	101,056.37	2,438,859.35	10,385,428.35		

Note 3 - Capital work-in-progress

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Opening balance of CWIP	271,787.47	-
Add: additions made during the year	16,307,902.35	271,787.47
Less: Capitalised during the year	-10,000.00	-
Add/(Less): Translation difference	-	-
Closing balance as on reporting date	16,569,689.82	271,787.47
Capital work-in-progress	16,569,689.82	271,787.47
Total	16,569,689.82	271,787.47

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Gravita Mozambique LDA
Notes forming part of the financial statements

Note 4 - Trade receivables

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	230,574,653.50	171,258,130.17
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	230,574,653.50	171,258,130.17

Note 5 - Financial assets - Others

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
(a) Non Current		
Total (a)	-	-
(b) Current		
Other Contractual receivables from related parties	1,473,591.70	-
Total (b)	1,473,591.70	-

Note 6 - Other assets

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
(a) Non Current		
Capital advances	-	-
Total (a)	-	-
(b) Current		
Advances to related parties (refer note 48)	-	408,943.01
Advances to vendors	5,533,992.83	-
Advances to employees	5,260,820.26	1,353,491.11
Prepaid expenses	103,661.26	549,373.77
Total (b)	10,898,474.35	2,311,807.89

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Gravita Mozambique LDA
 Notes forming part of the financial statements

Note 7 - Inventories

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
(a) Raw materials and bought out components	888,010.89	5,508,258.00
Goods-in-transit	4,196,235.87	-
(b) Work-in-progress	13,960,559.35	12,488,851.77
(c) Finished goods (other than those acquired for trading)	-	6,442,988.93
Goods-in-transit	9,021,726.95	-
(d) Stock-in-trade (in respect of goods acquired for trading)	4,212,221.56	5,418,873.31
(e) Stores and spares	9,199,373.10	9,721,722.73
(f) Consumables	1,314,530.69	2,362,454.93
	42,792,658.41	41,943,149.67
Less: Write down of inventory to net realisable value	-	-
	42,792,658.41	41,943,149.67

Note 8 - Cash and cash equivalents

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
a) Cash and cash equivalents		
Balances with banks		
-on current accounts	738,212.14	4,210,788.21
Cash on hand	90,089.96	423,593.45
Cheques on hand	4,214,575.25	-
Total (a)	5,042,877.35	4,634,381.66

Note 9 - Loans

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
(a) Non current, Unsecured, considered good		
(i) Security deposits	2,212,814.76	1,933,814.76
Total (a)	2,212,814.76	1,933,814.76
(b) Current, Unsecured, considered good		
(i) Security deposits	-	-
Loan to related parties	-	-
Less: Allowance for bad and doubtful loans	-	-
Loans to directors and other officers	-	-
Total (b)	-	-

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Aravita Mozambique LDA
Notes forming part of the financial statements

Note 10 - Equity share capital

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Authorised 7905000 Equity Shares of 1 MZN Each fully paid up	7,905,000.00	7,905,000.00
	7,905,000.00	7,905,000.00
Issued, subscribed and fully paid up 7905000 Equity Shares of 1 MZN Each fully paid up	7,905,000.00	7,905,000.00
Total	7,905,000.00	7,905,000.00

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Wavita Mozambique LDA
Notes forming part of the financial statements

Note 11 - Other financial liabilities

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
) Non-Current		
Security Deposits received	-	-
) Current		
- Payable for purchase of fixed assets	81,511.01	-
	81,511.01	-

Note 12 - Provisions

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
(a) Long - term		
Provision for compensated absences	598,667.00	193,372.00
	598,667.00	193,372.00
) Other than Long term		
Provision for gratuity (net)	-	-
	-	-

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Gravita Mozambique LDA
Notes forming part of the financial statements

Note 13 - Current financial liabilities - Borrowings (at amortised cost)

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand		
From banks		
Cash credit / overdraft	31,246,888.73	12,815,572.34
Unsecured		
Borrowing from bank	-	-
ST borrowing from Other parties	-	-
	31,246,888.73	12,815,572.34

Note 14 - Trade payables

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Outstanding dues to parties other than Micro and Small enterprises	23,056,654.75	892,397.30
Sundry creditors	6,099,021.95	892,397.30
Sundry creditors Related Party	15,449,387.32	-
Employee & Workers related payables (including flexi, Bonus, LTA etc.)	1,508,245	-
	23,056,654.75	892,397.30

Note 15 - Tax Liabilities (Net)

Particulars	(MZN)	
	As at March 31, 2019	As at March 31, 2018
Tax liabilities		
Provision for taxation	2,912,422.16	12,930,333.02
	2,912,422.16	12,930,333.02

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Gravita Mozambique LDA
Notes forming part of the financial statements

Note 16 - Revenue from operations

Particulars	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products (including excise duty)		
Manufactured goods	404,368,532.56	685,920,595.28
Traded goods	205,483,300.99	-
Total	609,851,833.55	685,920,595.28
Revenue from operations	609,851,833.55	685,920,595.28

Note 17 - Other income

Particular	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income		
(a) On bank deposits (at amortised cost)	17,431.00	11,040.59
(b) Dividend income		
Dividends from equity investments	-	-
(b) Other non-operating income		
Miscellaneous income	5,000.00	-
(c) Other gains and losses		
Gain on foreign currency exchange fluctuation (net)	5,906,890.90	-
Total	5,929,321.90	11,040.59

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Gravita Mozambique LDA
Notes forming part of the financial statements

Note 18 - Cost of material consumed

Particulars	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
Raw materials and bought out components consumed	302,420,992	347,581,018
	302,420,992.38	347,581,018.49

Note 19 - Purchase of stock-in-trade

Particulars	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
Remelted Lead ingots	-	-
Others	159,604,159.90	165,385,728.17
	159,604,159.90	165,385,728.17

Note 20 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
Opening stock		
Finished goods	6,442,988.93	7,216,225.00
Work-in-progress	12,488,851.77	9,059,435.00
Stock-in-trade	5,418,873.31	4,263,723.00
Less: Closing stock		
Finished goods	9,021,726.95	6,442,988.93
Work-in-progress	13,960,559.35	12,488,851.77
Stock-in-trade	4,212,221.56	5,418,873.31
Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade	(2,843,793.85)	(3,811,331.01)
	(2,843,793.85)	(3,811,331.01)

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Note 21 - Employee benefits expense

Particulars	(MZN)	
	For the period ended	For the year ended
	March 31, 2019	March 31, 2018
(i) Salaries and wages	22,062,708.49	16,822,920.76
(ii) Contribution to provident and other funds	833,183.24	827,930.90
(iii) Share-based payments to employees	-	-
(iv) Staff welfare expenses	2,898,768.88	2,719,848.86
	25,794,660.61	20,370,700.52

Note 22 - Finance cost

Particulars	(MZN)	
	For the period ended	For the year ended
	March 31, 2019	March 31, 2018
(a) Interest costs on		
- Borrowings	1,705,831.36	534,916.83
- Others	-	-
	1,705,831.36	534,916.83

Note 23 - Depreciation and amortisation expense

Particulars	(MZN)	
	For the period ended	For the year ended
	March 31, 2019	March 31, 2018
(a) Depreciation of Property, Plant and Equipment	3,479,732.31	2,924,621.62
	3,479,732.31	2,924,621.62

Note 24 - Other expenses

Particulars	(MZN)	
	For the period ended	For the year ended
	March 31, 2019	March 31, 2018
Power and fuel	3,085,145.60	2,573,167.03
Rates and taxes	1,325,609.00	423,335.00
Legal and professional	433,906.25	596,735.48
Repairs and maintenance		
- Plant & machinery	7,881,937.76	5,184,882.63
- Buildings	594,848.56	481,918.49
- Others	974,532.44	666,798.90
Freight and forwarding	27,370,966.74	27,132,833.82
Travelling and conveyance	6,055,761.35	3,749,129.03
Insurance	207,675.78	263,370.53
Rent	9,884,669.00	10,045,684.00
Advertising and sales promotion	125,537.02	474,898.78
Communication	631,919.88	435,076.35
Training and recruitment	-	503,125.00
Printing and stationery	72,558.43	98,045.47
Donations and contributions	10,000.00	1,500.00
Payment to auditors	325,000.00	200,000.00
Written off/provision for doubtful trade receivables, loans and advances	-	492.18
Net loss on foreign currency transactions and translation	-	15,064,081.30
Loss on property plant and equipment discarded/scrapped/written off	32,898.70	154,636.76
Bank charges	1,124,326.38	1,125,985.11
Vehicle hire expenses	5,500.00	1,316,283.00
Vehicle running expenses	1,316,189.00	-
Miscellaneous expenses	1,380,311.80	1,639,421.27
	62,840,293.69	72,131,400.15

Rajat.

Note 25 - Tax expense

Particulars	(MZN)	
	For the period ended March 31, 2019	For the year ended March 31, 2018
(a) Current Tax		
Current tax expense	9,360,510.14	12,930,333.02
	<u>9,360,510.14</u>	<u>12,930,333.02</u>

Rejat.

Financial risk management and financial information

Exposure to credit, currency and liquidity risks arises in the normal course of the company's business. The risk is being monitored continually. Financial instruments as shown in the balance sheet include cash resources, trade and other receivables and payables.

i). fair values

At the reporting date, the recorded values of the company's cash and cash equivalents, trade receivables and payables approximate their fair values due to the relatively short periods to maturity.

ii). Currency risk

The company incurs currency risk as a result of purchases and borrowings in foreign currency. The currency giving rise to the currency risk is in which the company deals, namely the United States dollar.

iii). Credit risk

It is the company's policy to deal with reputable counter parties. The company is not exposed to significant credit risks as it has not extended any significant credit to external companies. The maximum exposure to credit risk is exposed by the carrying of each financial asset in the balance sheet.

iv). Liquidity risk

Liquidity risk is actively managed through cash flow projections.

v). Sensitivity analysis

During the course of the year under review, the metical weakened against the United States dollar by approximately 10%. These changes on the metical as regards the company's exposure to foreign currency risk at the reporting date have decreased equity and decreased the annual profits. The analysis assumes that all other variables remain constant which was the basis used in the prior period.

Taxes

The tax authorities have the right to review the tax situation of the five previous years of the company. This could result in different interpretations/non compliance with the tax legislation related to employee tax, correction of amounts which are not possible to estimate at the date of the company's financial statements.

Pajal.

Capital commitments

At the reporting date, there were no capital commitments.

Contingent liabilities

At the reporting date, there were no contingent liabilities.

Subsequent events

There have been no facts or circumstances of a material nature that have occurred between the year end and the date of this report that could have a significant effect on the reported results and financial position.

Fajal