

**NAGARJUNA CONSTRUCTION
COMPANY INTERNATIONAL L.L.C.
OMAN**

FINANCIAL STATEMENTS

31 MARCH 2019

H. C. Shah



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN which comprise the statement of financial position as at 31 MARCH 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 2 to 16.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 MARCH 2019, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the disclosure requirements of the Oman Companies Law 1974, as amended, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and 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.

Auditor's responsibility

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 auditor's 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 ISAs 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 these financial statements.


H. C. SHAH
CHARTERED ACCOUNTANTS



NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	NOTE	31-03-2019 R.O.	31-03-2018 R.O.
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	3.	6,139,198	11,305,918
Investments	4.	225,574	225,574
		<u>6,364,772</u>	<u>11,531,492</u>
CURRENT ASSETS			
Inventory	5.	1,023,475	1,881,558
Contract Assets		6,822,451	10,686,560
Financial Assets	6.	21,474,420	23,437,533
Other Financial Assets	7.	14,716	34,953
Other Current Assets	8.	438,113	731,084
Amount Due from Related Parties	9.	49,970	5,760,163
Bank Balances and Cash	10.	2,009,539	2,006,989
		<u>31,832,684</u>	<u>44,538,840</u>
TOTAL ASSETS	R.O.	38,197,456	56,070,332
		<u>=====</u>	<u>=====</u>
EQUITIES AND LIABILITIES			
MEMBERS' FUNDS			
Share Capital		12,818,000	12,818,000
Legal Reserve		1,303,810	1,303,810
Retained Profit / (Loss)		(6,523,059)	(2,986,165)
		<u>7,598,751</u>	<u>11,135,645</u>
NON CURRENT LIABILITIES			
Long Term Loan - Bank Dhofar		2,900,000	5,000,000
Loan from Holding Companies		217,525	--
Term Loan - Oman Arab Bank		--	333,330
Staff Terminal Benefits Payable		628,991	841,548
		<u>3,746,516</u>	<u>6,174,878</u>
CURRENT LIABILITIES			
Sundry Creditors	11.	9,573,687	17,049,051
Bank Loans and Overdrafts	12.	12,091,940	16,297,436
Amounts Due to Related Parties	13.	5,186,562	5,413,322
		<u>26,852,189</u>	<u>38,759,809</u>
TOTAL EQUITY AND LIABILITIES	R.O.	38,197,456	56,070,332
		<u>=====</u>	<u>=====</u>

The notes on pages 6 to 16 form part of these financial statements

Auditor.



Authorised Signatory:

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

		1-04-2018 TO 31-03-2019 R.O.	1-04-2017 TO 31-03-2018 R.O.
	NOTE		
TURNOVER	14.	20,108,575	33,832,896
COST OF TURNOVER	15.	<u>(19,384,024)</u>	<u>(34,155,654)</u>
GROSS (LOSS) / PROFIT		724,551	(322,758)
PROFIT / (LOSS) ON DISPOSAL OF FIXED ASSETS		(497,775)	(252,085)
OTHER INCOME		<u>45,421</u>	<u>52,272</u>
		272,197	(522,571)
ADMINISTRATIVE AND GENERAL EXPENSES	16.	<u>(318,590)</u>	<u>(406,867)</u>
(LOSS)/PROFIT BEFORE FINANCE CHARGES & DEPRECIATION		(46,393)	(929,438)
FINANCE CHARGES		<u>(1,228,600)</u>	<u>(1,887,432)</u>
PROFIT / (LOSS) FOR THE YEAR BEFORE DEPRECIATION		(1,274,993)	(2,816,870)
DEPRECIATION		<u>(2,261,901)</u>	<u>(3,099,427)</u>
NET PROFIT / (LOSS) FOR THE YEAR		(3,536,894)	(5,916,297)
INCOME TAX PAID FOR EARLIER YEARS		--	--
RETAINED PROFIT / (LOSS) FOR THE YEAR	R.O.	<u>(3,536,894)</u>	<u>(5,916,297)</u>
		=====	=====

The notes on pages 6 to 16 form part of these financial statements

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share Capital R.O.	Legal Reserve R.O.	Retained Profit / (Loss) R.O.	Total R.O.
Year to 31 March 2018				
At 31 March 2017	8,316,000	1,303,810	2,930,132	12,549,942
Increase in Capital	4,502,000	--	--	4,502,000
Net Profit / (Loss) for the year	--	--	(5,916,297)	(5,916,297)
	-----	-----	-----	-----
At 31 March 2018 R.O.	12,818,000	1,303,810	(2,986,165)	11,135,645
	=====	=====	=====	=====
Year to 31 March 2019				
At 31 March 2018	12,818,000	1,303,810	(2,986,165)	11,135,645
Net Profit / (Loss) for the year	--	--	(3,536,894)	(3,536,894)
	-----	-----	-----	-----
At 31 March 2019 R.O.	12,818,000	1,303,810	(6,523,059)	7,598,751
	=====	=====	=====	=====

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STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2018

	31-03-2019 R.O.	31-03-2018 R.O.
1. Cash Flow from Operating Activities.		
a) Net Profit / (Loss) for the year	(3,536,894)	(5,916,297)
Add: Non - Cash charges - Depreciation	2,261,901	3,099,427
Add: (Profit)/Loss on Sale of Fixed Assets	497,775	252,085
Net Changes due to Operating Profit / (Loss)	<u>(777,218)</u>	<u>(2,564,785)</u>
b) Changes in Working Capital		
(Increase) / Decrease in Inventories	858,083	490,438
(Increase) / Decrease in Work-in-Progress	3,864,109	4,505,232
(Increase) / Decrease in Financial Assets	1,963,113	7,338,368
(Increase) / Decrease in Other Financial Assets	20,237	20,734
(Increase) / Decrease in Other Current Assets	292,971	2,544,714
Amount Due from Related Parties	5,710,193	2,326,726
(Decrease) / Increase in Accounts Payable & Accruals	(7,475,364)	(11,410,479)
Amount Due to Related Parties	<u>(226,760)</u>	<u>244,333</u>
Net Changes in Working Capital	<u>5,006,582</u>	<u>6,060,066</u>
Net Cash Flow (used in) / from Operating Activities (A) 1a - 1b	<u>4,229,364</u>	<u>3,495,281</u>
2. Cash Flow from Investing Activities		
a) Purchase of Tangible Fixed Assets	(36,995)	(59,463)
b) Sale of Fixed Assets	2,444,039	2,255,615
Net Cash (used in) / from Investing Activities (B) 2a - 2b	<u>2,407,044</u>	<u>2,196,152</u>
3. Cash Flow from Financing Activities		
a) Share Capital	0	4,502,000
b) Long Term Loan - Bank Dhofar	(2,100,000)	(3,700,000)
c) Long Term Loan - Oman Arab Bank	(333,330)	(666,668)
d) ICICI Bank - Machinery Term Loan	-	(962,500)
e) Loan from Holding Companies	217,525	
f) Staff Terminal Benefits	<u>(212,557)</u>	<u>(216,094)</u>
Net Cash (used in) / from Financing Activities (C) 3a - 3f	<u>(2,428,362)</u>	<u>(1,043,262)</u>
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	4,208,046	4,648,171
Cash and Cash equivalents at the beginning of the year	<u>(14,290,447)</u>	<u>(18,938,618)</u>
Cash and Cash equivalents at the end of the year	R.O. (10,082,401)	(14,290,447)
	=====	=====
COMPRISING OF:		
1. Cash in Hand	3,784	4,039
2. Bank Balances	2,005,755	2,002,950
3. Bank Loans and Overdrafts	<u>(12,091,940)</u>	<u>(16,297,436)</u>
	R.O. (10,082,401)	(14,290,447)
	=====	=====

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2018

1. GENERAL

Nagarjuna Construction Co. International L L C. - Oman is a Limited Liability Company with 100% Foreign ownership registered on 17 January 2007 under the Commercial Laws of the Sultanate of Oman. The Company is engaged in Building Installation Contracts, Water, Electricity & Telephone Network & Stations, Construction Contracts, Tunnels, Construction & Maintenance of Seaports, Electrical & Mechanical & Sewerage Systems Construction and Road Construction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies are summarised below. These policies have been consistently applied to each of the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION:

- a. These financial statements are prepared on the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Oman Commercial Companies Law 1974, as amended. The financial statements have been presented in Omani Rial ("R.O.").
- b. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas where accounting assumptions and estimates are significant to the financial statements are disclosed in the accounting policies and notes to the financial statements.
- c. *Standards and Amendments effective in 2018 and relevant for the company's operation :*
For the year ended 31 December 2018, the company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the periods beginning on 1 January 2018.
- d. *Standards, Amendments and Interpretations to existing standards that are not yet effective and have not been early adopted by the company :*
The following Standards, Amendments & Interpretations to the existing Standards have been published and are mandatory for the companies accounting period beginning on or after 01 January 2019 or later periods, but the company has not early adopted them and the impact of these standards and interpretations can not be reasonably estimated as at 31 December 2018.

IFRS 16 - Leases (effective on or after 1 January 2019).

IFRS 17 - Insurance Contracts (effective on or after 1 January 2021)

There is no material change on the presentation and disclosures of these condensed interim financial information due to adoption of these standards, hence no adjustment has been done and IFRS 9 and IFRS 15 were adopted without restating comparative information.

Contd.....7

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

2.2 NEW IFRS ADOPTED AND CHANGES IN ACCOUNTING POLICIES

IFRS 9: FINANCIAL INSTRUMENTS

The International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard IFRS 9: 'Financial Instruments' effective for annual periods beginning on or after 1 January 2018, which replaced the existing International Accounting Standard 39 'Financial Instruments: Recognition and Measurement'.

The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. The key changes to the Company's accounting policies resulting from its adoption of IFRS 9 are summarised below:

Classification of financial assets

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories of financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity and amortised cost have been replaced by:

Financial assets carried at amortised cost;

Financial assets carried at fair value through other comprehensive income (FVOCI); and

Financial assets carried at fair value through profit or loss (FVTPL)

Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience as adjusted for forward-looking factors.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

Transition

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies.

Contd.....8

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

IFRS 15: REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue guidance, which is found currently across several Standards and Interpretations within IFRS. It established a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The key changes to the Company's accounting policies resulting from its adoption of IFRS 15 are summarised below:

Income from operations

Income from operations represents sale of goods in normal course of business and is recognised over time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Income from operations is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

Transition

The Company's adoption of IFRS 15 under modified retrospective method had no impact on the financial statements of the Company.

2.3 INVENTORIES:

Inventories are valued at the lower of cost and net realisable value with due allowance for slow-moving items. Cost is determined on the weighted average cost basis and includes expenditure incurred in acquiring inventory and bringing them to their existing location and condition. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

2.4 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged on a Straight Line Basis to the income statement and the rate of Depreciation charged is as follows:

	During the year
Plant and Machinery (Except Cranes)	9 to 12 years
Plant and Machinery (Cranes)	15 to 20 years
Construction Vehicles	8 to 9 years
Construction Accessories	6 years
Tools & Equipments	12 Years
Vehicles - Office	8 years
Furniture & Fixtures	10 years
Office Equipment	3 to 6 years

2.5 CONTRACT ASSET

Work in Progress includes expenses incurred on projects for which no billing has been made. Amount certified by the Consultant as on 31 March 2019 includes only completed work but Work-in-progress pertains to work which is incomplete and hence not certified by the Consultant.

2.6 ACCOUNTS RECEIVABLE:

Accounts receivable are stated at original invoice amounts less a provision for any uncollectible amounts. An estimation for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

2.7 RELATED PARTY TRANSACTIONS:

The Company has entered into transactions with entities over which certain Directors are able to exercise significant influence. In the ordinary course of business, such related parties provide goods and render services to the Company. The Company believes that the terms of purchases, and provision of services are comparable with those that could be obtained from third parties.

2.8 IMPAIRMENT:

The carrying amounts of the Company's assets, other than stocks are reviewed at each financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount. Impairment is determined as follows:

- For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognised in the income statement.
- For assets carried at cost, impairment is the difference between the carrying value and the present value of future cash flows discounted at the current market rate of return for similar assets.
- For assets carried at amortised cost, impairment is the difference between the carrying value and the present value of future cash flows discounted at the effective interest rate.

Contd.....10

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

2.9 LEGAL RESERVE:

Article 106 of the Commercial Companies Law of 1974 requires that 10% of a Company's Net Profit be transferred to a non-distributable legal reserve until the amount of the legal reserve equals one-third of the Company's issued share capital.

2.10 BANK BORROWINGS:

Bank Dhofar borrowings are secured either / and - or as:

- a. Assignment of Project Receivables.
- b. Corporate Guarantees from NCC Ltd. India, to the extent of OMR 33.60 Million.

2.11 END OF SERVICE BENEFITS AND LEAVE ENTITLEMENTS:

Contributions to defined contribution retirement plan, for Omani employees in accordance with Oman

Social Insurance Scheme, are recognised as expense in the profit and loss account as incurred.

Provision for non-Omani employee end of service benefit is accrued in accordance with the terms of employment of the company's employees at the balance sheet date, having regard to the requirement of the Oman Labour Law 1973. Employee entitlements to annual leave are recognised when they accrue to employees and an accrual is made for the estimated liability for the annual leave as result of services by employees upto the balance sheet date.

2.12 ACCOUNTS PAYABLE AND ACCRUALS:

Liabilities are recognised for amounts to be paid for goods and services rendered during the period ended 31 March 2019, whether or not billed to the company. Provisions are recognised when the company has an obligation arising from past events, and the cost to settle the obligation are both probable and able to be reliably measured.

2.13 FINANCIAL INSTRUMENTS:

The Company has initially applied IFRS 9 from 01 January 2018. Information about the accounting policies relating to Financial instruments are described in Note 2.2.

2.14 BORROWING COSTS:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset. All other borrowing costs are charged to revenue.

2.15 INCOME TAX:

The Company's assessments order for the year ending 31 March 2014 to 2018 have not yet been finalised with the Department of Taxation Affairs at the Ministry of Finance The Company believes that additional taxes, if any, in respect of open tax assessments would not be material to the its financial position.

2.16 FOREIGN CURRENCY:

Foreign currency transactions are translated into Rials Omani at the exchange rates prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rates prevailing at the financial position date. Differences on exchange are dealt with in the statement of comprehensive income as they arise.

Contd.....11

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)****2.17 RISK MANAGEMENT:**

The Company has exposure to credit risk, liquidity risk and market risk in its normal course of business.

- a) Credit risk: Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial contract fails to meet the contractual obligations. The exposure to credit risk is monitored on an ongoing basis by the management and these amounts are considered recoverable by the Company's management.
- b) Liquidity risk: Liquidity risk is the risk that the Company can default in meeting the obligations associated with its financial liabilities. The Company assures that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
- c) Market risk: Market risk is the risk that changes in market prices, such as foreign currency & interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

2.18 QATAR OPERATIONS

During the year 2012 the Company has opened a Branch Office in Qatar for execution of "NGL Support Campus Project" awarded by Qatar Petroleum, under joint venture with Diplomat Group WLL. NCCIL, Oman has 50% interest in the above joint venture. The Operating results of the Branch & the JV have been incorporated in the Financial Statements.

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

3. FIXED ASSETS

	PLANT & MACHINERY R.O.	CONST- RUCTION VEHICLES R.O.	CCNST- RUCTION ACCESSORIES R.O.	TOOLS & EQUIP- MENT R.O.	VEHICLES OFFICE R.O.	FURNIT- URE & FIXTURES R.O.	OFFICE EQUIP- MENT R.O.	TOTAL R.O.
COST :								
At 31 March 2018	17,037,629	10,045,050	4,204,796	630,058	1,632,861	140,348	738,977	34,429,719
Additions during the year	10,641		6,392	1,146	17,096	688	1,032	36,995
Disposals	(7,021,756)	(4,362,503)	(1,642,494)	(188,427)	(831,932)	(80,649)	(104,564)	(14,232,325)
At 31 March 2019	10,026,514	5,682,547	2,568,694	442,777	818,025	60,387	635,445	20,234,389
DEPRECIATION:								
At 31 March 2018	10,955,639	6,841,735	3,075,908	267,042	1,250,818	88,934	643,725	23,123,801
Charge for the year	1,334,962	542,770	192,211	52,365	101,820	10,104	27,669	2,261,901
Related to Disposals	(5,229,062)	(4,026,600)	(1,135,307)	(63,568)	(691,798)	(49,648)	(94,528)	(11,290,511)
At 31 March 2019	7,061,539	3,357,905	2,132,812	255,839	660,840	49,390	576,866	14,095,191
NET BOOK VALUE								
AT 31 MARCH 2019 R.O.	2,964,975	2,324,642	435,882	186,938	157,185	10,997	58,579	6,139,198
AT 31 MARCH 2018 R.O.	6,081,990	3,203,315	1,128,888	363,016	382,043	51,414	95,252	11,305,918

Contd.....13

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

	31-03-2019 R.O.	31-03-2018 R.O.
4. INVESTMENTS		
49% Investment in NCCA International Kuwait Co. - Kuwait	173,340	173,340
49% Investment in NCC WLL - Qatar	52,234	52,234
R.O.	<u>225,574</u>	<u>225,574</u>
5. INVENTORY		
Materials	584,066	1,202,782
Consumables	437,377	677,207
Small Tools & Equipment	2,032	1,569
Materials-in-transit	--	--
R.O.	<u>1,023,475</u>	<u>1,881,558</u>
6. FINANCIAL ASSETS		
Trade Receivables	15,788,849	18,269,212
Other Financial Assets	986,038	
Retentions Receivable	4,699,533	5,168,321
R.O.	<u>21,474,420</u>	<u>23,437,533</u>
7. OTHER FINANCIAL ASSETS		
Staff Advances	14,716	34,953
R.O.	<u>14,716</u>	<u>34,953</u>
8. OTHER CURRENT ASSETS		
Advances to Suppliers	-	16,669
Advances to Sub Contractors	264,682	517,294
Prepaid Expenses	80,092	81,534
Other Deposits & Advances	89,850	112,098
Income Tax	3,489	3,489
R.O.	<u>438,113</u>	<u>731,084</u>
9. DUE FROM RELATED PARTIES		
NCC Kuwait	--	66,356
NCC Limited - Al Amerat	--	4,649,403
NCC and Partners LLC	--	1,042,205
NCC WLL, Qatar	2,199	2,199
NCC Urban Infrastructure Co. Ltd.	47,771	--
R.O.	<u>49,970</u>	<u>5,760,163</u>

Contd.....14

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)**

	31-03-2019 R.O.	31-03-2018 R.O.
10. BANK BALANCES AND CASH		
Bank Muscat - Current Accounts	146,014	392,663
Bank of Baroda - Current Account	--	1,003
Commercial Bank of Qatar	24,901	23,334
Mashreq Bank	189,468	16,796
Bank Muscat - Margin Accounts	5,000	5,000
Bank Dhofar - Term Deposits	1,596,818	1,551,479
ICICI Bank - Current Accounts	--	167
Bank Dhofar - Current Account	17,433	9,898
Oman Arab Bank	26,121	2,610
Cash on Hand	3,784	4,039
R.O.	<u>2,009,539</u>	<u>2,006,989</u>
11. CREDITORS		
Sundry Creditors for Purchases	1,713,143	4,206,518
Sundry Creditors for Expenses	1,352,493	2,850,390
Sundry Creditors for Fixed Assets	1,976	4,226
Retention Money - Sub Contractors	1,185,522	800,254
Mobilisation Advances	2,577,633	4,238,092
Material Advances Received from Clients	1,029,432	2,933,209
Accrued Expenses	1,687,739	1,985,760
Deposits Received	25,749	30,602
R.O.	<u>9,573,687</u>	<u>17,049,051</u>
12. BANK LOANS AND OVERDRAFTS		
Bank Dhofar Overdrafts	1,032,202	980,867
Bank Dhofar - LTR	2,266,917	7,022,204
Bank Dhofar - Bill Discounted	8,792,821	8,294,365
R.O.	<u>12,091,940</u>	<u>16,297,436</u>
13. DUE TO RELATED PARTIES		
NCC LLC Dubai	--	4,156,009
NCCL Hyderabad	1,191,129	1,257,313
NCC Infrastructure Holding Mauritius Pte. Ltd	3,929,247	--
NCC Limited - Al Amerat	66,186	--
R.O.	<u>5,186,562</u>	<u>5,413,322</u>

Contd.....15

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

	31-03-2019 R.O.	31-03-2018 R.O.
14. TURNOVER		
Contract Revenue	22,739,347	37,555,692
Unbilled Revenue	(3,864,108)	(4,505,232)
Net Contract Revenue	18,875,239	33,050,460
Hire Charges	865,209	278,816
Other Operating Income	1,796	8,477
Miscellaneous Receipts	366,331	495,143
R.O.	20,108,575	33,832,896
15. COST OF TURNOVER		
Materials	2,412,053	9,806,496
Salaries & Benefits	4,192,716	7,107,424
Rent	93,346	81,755
Sub-Contract Expenses.	10,383,556	7,783,030
Consumable Tools	82,853	507,280
Telephone, Fax & Postage	12,154	52,887
Electricity and Water	42,761	306,137
Visa, Immigration and Labour Tax	31,896	456,756
Travelling and Conveyance	52,253	(10,664)
Testing Charges	2,359	62,612
Vehicle Expenses	58,851	247,727
Hire Charges	62,097	1,540,199
Insurance	89,073	446,703
Printing and Stationery	3,848	21,222
Repairs & Maintenance	637,669	4,256,796
Consultancy Charges	61,375	536,888
Lease Charges	37,269	113,389
Transport Charges	14,378	17,767
Customs Duty	324	970
Sewage Removal Expenses	14	2,223
Royalties	5,774	5,106
Liquidation Damages	—	570,473
Miscellaneous	1,107,405	242,478
R.O.	19,384,024	34,155,654

Contd.....16

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)

	31-03-2019 R.O.	31-03-2018 R.O.
16. ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries & Benefits	208,693	234,511
Rent	10,680	37,225
Telephone, Fax & Postage	4,162	6,054
Printing and Stationery	410	962
Electricity and Water	976	1,278
Advertisement & Sales Promotion	600	3,075
Vehicle Expenses	6,506	5,837
Travelling & Conveyance	11,710	21,350
Visa, Immigration and Labour Tax	4,368	2,207
Repairs & Maintenance	7,958	21,880
Establishment Expenses	5,420	8,985
Legal & Professional Fees	34,195	42,743
Rates and Taxes	10,187	8,736
Tender Expenses	175	10,150
Books and Periodicals	-	418
Miscellaneous	12,550	1,456
R.O.	318,590	406,867
17. CONTINGENT LIABILITIES		
Performance Gurantees	7,124,239	8,002,009
Advance Payment Gurantees	3,823,698	5,490,518
Other Gurantees	139,000	174,920
R.O.	11,086,937	13,667,447

Except for the above and ongoing business obligations which are under normal course of business against which no loss is expected, there has been no known contignet liability in the Entity's Financial Statements as of the Reporting date.

18. PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped wherever necessary to conform to current year's presentation.