

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

FINANCIAL STATEMENTS

31 MARCH 2020

H. C. Shah



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Ref: 7836

Date: 18 May 2020

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 2020 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 2020, 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.

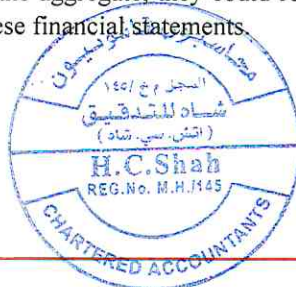
Responsibility of the Management

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 2020

	NOTE	31-03-2020 R.O.	31-03-2019 R.O.
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	3.	1,232,555	6,139,198
Investments	4.	173,340	225,574
		<u>1,405,895</u>	<u>6,364,772</u>
CURRENT ASSETS			
Inventory	5.	799,042	1,023,475
Contract Assets		6,975,673	6,822,451
Financial Assets	6.	11,993,307	21,474,420
Other Financial Assets	7.	20,463	14,716
Other Current Assets	8.	782,419	438,113
Amount Due from Related Parties	9.	47,771	49,970
Bank Balances and Cash	10.	2,796,708	2,009,539
		<u>23,415,383</u>	<u>31,832,684</u>
TOTAL ASSETS	R.O.	24,821,278 =====	38,197,456 =====
EQUITIES AND LIABILITIES			
MEMBERS' FUNDS			
Share Capital		12,818,000	12,818,000
Legal Reserve		1,303,810	1,303,810
Retained Profit / (Loss)		(8,504,101)	(6,523,059)
		<u>5,617,709</u>	<u>7,598,751</u>
NON CURRENT LIABILITIES			
Long Term Loan - Bank Dhofar		--	2,900,000
Loan from Holding Companies		217,525	217,525
Staff Terminal Benefits Payable		466,260	628,991
		<u>683,785</u>	<u>3,746,516</u>
CURRENT LIABILITIES			
Sundry Creditors	11.	8,403,304	9,573,687
Bank Loans and Overdrafts	12.	4,944,485	12,091,940
Amounts Due to Related Parties	13.	5,171,995	5,186,562
		<u>18,519,784</u>	<u>26,852,189</u>
TOTAL EQUITY AND LIABILITIES	R.O.	24,821,278 =====	38,197,456 =====

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 2020

	NOTE	1-04-2019 TO 31-03-2020 R.O.	1-04-2018 TO 31-03-2019 R.O.
TURNOVER	14.	17,315,872	20,108,575
COST OF TURNOVER	15.	<u>(16,361,704)</u>	<u>(19,384,024)</u>
GROSS (LOSS) / PROFIT		954,168	724,551
PROFIT / (LOSS) ON DISPOSAL OF FIXED ASSETS		(1,629,857)	(497,775)
OTHER INCOME		<u>47,772</u>	<u>45,421</u>
		(627,917)	272,197
ADMINISTRATIVE AND GENERAL EXPENSES	16.	<u>(134,930)</u>	<u>(318,590)</u>
(LOSS)/PROFIT BEFORE FINANCE CHARGES & DEPRECIATION		(762,847)	(46,393)
FINANCE CHARGES		<u>(124,625)</u>	<u>(1,228,600)</u>
PROFIT/(LOSS) BEFORE DEPRECIATION		(887,472)	(1,274,993)
DEPRECIATION		<u>(1,064,616)</u>	<u>(2,261,901)</u>
NET PROFIT / (LOSS) FOR THE PERIOD / YEAR		(1,952,088)	(3,536,894)
INCOME TAX PAID FOR EARLIER YEARS		(28,954)	--
		-----	-----
RETAINED PROFIT / (LOSS) FOR THE YEAR	R.O.	<u>(1,981,042)</u>	<u>(3,536,894)</u>
		=====	=====

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

Auditor:



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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2020**

	Share Capital R.O.	Legal Reserve R.O.	Retained Profit/(Loss) R.O.	Total R.O.
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
	=====	=====	=====	=====
Year to 31 March 2020				
At 31 March 2019	12,818,000	1,303,810	(6,523,059)	7,598,751
Income Tax for earlier years			(28,954)	(28,954)
Net Profit / (Loss) for the year	--	--	(1,952,088)	(1,952,088)
	-----	-----	-----	-----
At 31 March 2020 R.O.	12,818,000	1,303,810	(8,504,101)	5,617,709
	=====	=====	=====	=====

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Auditor:



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

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020

	31-03-2020 R.O.	31-03-2019 R.O.
1. Cash Flow from Operating Activities.		
a) Net Profit / (Loss) for the year	(1,981,042)	(3,536,894)
Add: Non - Cash charges - Depreciation	1,064,616	2,261,901
Add: (Profit)/Loss on Sale of Fixed Assets	1,629,857	497,775
Income Tax for earlier years	(28,954)	--
Net Changes due to Operating Profit / (Loss)	684,477	(777,218)
b) Changes in Working Capital		
(Increase) / Decrease in Inventories	224,433	858,083
(Increase) / Decrease in Work-in-Progress	(153,222)	3,864,109
(Increase) / Decrease in Financial Assets	9,481,113	1,963,113
(Increase) / Decrease in Other Financial Assets	(5,747)	20,237
(Increase) / Decrease in Other Current Assets	(344,306)	292,971
Amount Due from Related Parties	2,199	5,710,193
(Decrease) / Increase in Accounts Payable & Accruals	(1,170,383)	(7,475,364)
Amount Due to Related Parties	(14,567)	(226,760)
Net Changes in Working Capital	8,019,520	5,006,582
Net Cash Flow (used in) / from Operating Activities (A)	8,703,997	4,229,364
1a - 1b		
2. Cash Flow from Investing Activities		
a) Purchase of Tangible Fixed Assets	(3,376)	(36,995)
b) Sale of Fixed Assets	2,215,546	2,444,039
c) Investments	52,234	--
Net Cash (used in) / from Investing Activities (B)	2,264,404	2,407,044
2a - 2c		
3. Cash Flow from Financing Activities		
a) Long Term Loan - Bank Dhofar	(2,900,000)	(2,100,000)
b) Long Term Loan - Oman Arab Bank	0	(333,330)
c) Loan from Holding Companies	0	217,525
d) Staff Terminal Benefits	(162,731)	(212,557)
Net Cash (used in) / from Financing Activities (C)	(3,062,731)	(2,428,362)
3a - 3d		
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	7,905,670	4,208,046
Cash and Cash equivalents at the beginning of the year	(10,082,401)	(14,290,447)
Cash and Cash equivalents at the end of the year	R.O. (2,176,731)	(10,082,401)
COMPRISING OF:		
1. Cash in Hand	7,508	3,784
2. Bank Balances	2,789,200	2,005,755
3. Bank Loans and Overdrafts	(4,944,485)	(12,091,940)
	R.O. (2,147,777)	(10,082,401)

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

1. GENERAL

Nagarjuna Construction Co. International L.L.C. - Oman is a Limited Liability Company with 100% Foreign ownership registered 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 2019 and relevant for the company's operation :*

For the year ended 31 March 2020, 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 2019.

c. *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 March 2020.

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

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

2.2 NEW IFRS ADOPTED AND CHANGES IN ACCOUNTING POLICIES

IFRS 16 - LEASES

IFRS 16 Leases supersedes the requirements in IAS 17 Leases and related interpretations, and is applicable for the first time for entities with an annual reporting period beginning on or after 01 January 2019.

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position. It introduces significant changes to lessee accounting by applying a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets when such recognition exemptions are adopted. The standard recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged,

The Company has evaluated the impact of IFRS 16 as at 01 January 2019 and concluded that it has low-value leases and short term leases. For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Company has opted to recognise a lease expense on a straight-line basis as permitted by the standard. This expense is presented in the statement of comprehensive income. Accordingly first time adoption of IFRS 16 does not have any impact on the financial statements of the company for the year ended 31 December 2019.

2.3 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

2.4 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.

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)****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 2020 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:

- a. 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.
- b. 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.
- c. 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.

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 R.O. 11.50 Million against which bank has extended limits of R.O. 11.50 million (Utilization as on 31.03.2020 is R.O. 10.927 million).

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

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 2020, 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:

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. 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.

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.

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.

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)****2.15 INCOME TAX:**

The Company's assessments order for the year ending 31 March 2018 and 2019 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 REVENUE RECOGNITION:

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.

Income from operations

Income from operations represents sale of goods in normal course of business and is recognised at a point in 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.

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.

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)****2.18 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.

2.19 QATAR OPERATIONS

During the year 2012 the Company had 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.

2.20 PRIOR YEAR EXPENSES

During the year ended 31 March 2020, the company has received Income Tax Assessment Order for the year ended 2014-15 and the amount of tax payable is R.O. 28,954/-, the same has been accounted for in Retained Earnings.

NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)
3. FIXED ASSETS

	PLANT & MACHINERY R.O.	CONST- RUCTION VEHICLES R.O.	CONST- RUCTION ACCESS- ORIES R.O.	TOOLS & EQUIP- MENT R.O.	VEHICLES OFFICE R.O.	FURNIT- URE & FIXT- URES R.O.	OFFICE EQUIP- MENT R.O.	TOTAL R.O.
COST :								
At 31 March 2019	10,026,514	5,682,547	2,568,694	442,777	818,025	60,387	635,445	20,234,389
Additions during the period	567	--	1,340	59	--	--	1,410	3,376
Disposals	(6,505,558)	(5,416,999)	(1,890,291)	--	(501,735)	(15,972)	(75,765)	(14,406,320)
At 31 March 2020	3,521,523	265,548	679,743	442,836	316,290	44,415	561,090	5,831,445
DEPRECIATION:								
At 31 March 2019	7,061,539	3,357,905	2,132,812	255,839	660,840	49,390	576,866	14,095,191
Charge for the period	633,510	295,617	44,472	39,082	27,155	3,906	20,874	1,064,616
Related to Disposals	(5,048,269)	(3,445,150)	(1,581,177)	--	(400,472)	(13,910)	(71,939)	(10,560,917)
At 31 March 2020	2,646,780	208,372	596,107	294,921	287,523	39,386	525,801	4,598,890
NET BOOK VALUE								
AT 31 MARCH 2020 R.O.	874,743	57,176	83,636	147,915	28,767	5,029	35,289	1,232,555
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

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

	31-03-2020 R.O.	31-03-2019 R.O.
4. INVESTMENTS		
49% Investment in NCCA International Kuwait Co. - Kuwait	173,340	173,340
49% Investment in NCC WLL - Qatar	--	52,234
R.O.	173,340	225,574
5. INVENTORY		
Materials	432,098	584,066
Consumables	364,826	437,377
Small Tools & Equipment	2,118	2,032
R.O.	799,042	1,023,475
6. FINANCIAL ASSETS		
Trade Receivables	9,833,573	15,788,849
Other Financial Assets	617,737	986,038
Retentions Receivable	1,541,997	4,699,533
R.O.	11,993,307	21,474,420
7. OTHER FINANCIAL ASSETS		
Staff Advances	20,463	14,716
R.O.	20,463	14,716
8. OTHER CURRENT ASSETS		
Advances to Sub Contractors	677,816	264,682
Prepaid Expenses	19,774	80,092
Other Deposits & Advances	84,829	89,850
Income Tax	-	3,489
R.O.	782,419	438,113
9. DUE FROM RELATED PARTIES		
NCC WLL, Qatar	--	2,199
NCC Urban Infrastructure Co. Ltd.	47,771	47,771
R.O.	47,771	49,970

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

	31-03-2020 R.O.	31-03-2019 R.O.
10. BANK BALANCES AND CASH		
Bank Muscat - Current Accounts	490,438	146,014
Commercial Bank of Qatar	1,557	24,901
Mashreq Bank	1,164	189,468
Bank Muscat - Margin Accounts	62,440	5,000
Bank Dhofar - Term Deposits	1,647,505	1,596,818
Bank Dhofar - Current Account	586,096	17,433
Oman Arab Bank	--	26,121
Cash on Hand	7,508	3,784
R.O.	<u>2,796,708</u>	<u>2,009,539</u>
11. CREDITORS		
Sundry Creditors for Purchases	1,634,914	1,713,143
Sundry Creditors for Expenses	2,169,254	1,352,493
Sundry Creditors for Fixed Assets	1,976	1,976
Retention Money - Sub Contractors	1,473,484	1,185,522
Mobilisation Advances	659,843	2,577,633
Material Advances Received from Clients	446,989	1,029,432
Accrued Expenses	1,992,371	1,687,739
Deposits Received	24,473	25,749
R.O.	<u>8,403,304</u>	<u>9,573,687</u>
12. BANK LOANS AND OVERDRAFTS		
Bank Dhofar Overdrafts	--	1,032,202
Bank Dhofar - LTR	198,252	2,266,917
Bank Dhofar - Bill Discounted	4,746,233	8,792,821
R.O.	<u>4,944,485</u>	<u>12,091,940</u>
13. DUE TO RELATED PARTIES		
NCCL Hyderabad	1,181,137	1,191,129
NCC Infrastructure Holding Mauritius Pte. Ltd	3,929,247	3,929,247
NCC Limited - Al Amerat	61,611	66,186
R.O.	<u>5,171,995</u>	<u>5,186,562</u>

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)

	31-03-2020 R.O.	31-03-2019 R.O.
14. TURNOVER		
Contract Revenue	16,181,519	22,739,347
Unbilled Revenue	153,222	(3,864,108)
Net Contract Revenue	16,334,741	18,875,239
Hire Charges	860,402	865,209
Other Operating Income	-	1,796
Miscellaneous Receipts	120,729	366,331
R.O.	<u>17,315,872</u>	<u>20,108,575</u>
 15. COST OF TURNOVER		
Materials	409,429	2,412,053
Salaries & Benefits	3,587,689	4,192,716
Rent	76,942	93,346
Sub-Contract Expenses.	12,018,956	10,383,556
Consumable Tools	33,662	82,853
Telephone, Fax & Postage	2,660	12,154
Electricity and Water	4,697	42,761
Visa, Immigration and Labour Tax	3,228	31,896
Travelling and Conveyance	46,891	52,253
Testing Charges	-	2,359
Vehicle Expenses	5,673	58,851
Hire Charges	12,375	62,097
Insurance	347	89,073
Printing and Stationery	2,373	3,848
Repairs & Maintenance	13,923	637,669
Consultancy Charges	8,333	61,375
Lease Charges	31,804	37,269
Transport Charges	29,922	14,378
Customs Duty	-	324
Sewage Removal Expenses	-	14
Royalties	-	5,774
Miscellaneous	72,800	1,107,405
R.O.	<u>16,361,704</u>	<u>19,384,024</u>

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NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020 (CONTD.)**

	31-03-2020	31-03-2019
	R.O.	R.O.
16. ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries & Benefits	75,771	208,693
Rent	13,527	10,680
Telephone, Fax & Postage	1,748	4,162
Printing and Stationery	386	410
Electricity and Water	553	976
Advertisement & Sales Promotion	1,863	600
Vehicle Expenses	5,146	6,506
Travelling & Conveyance	4,816	11,710
Visa, Immigration and Labour Tax	1,075	4,368
Repairs & Maintenance	3,126	7,958
Establishment Expenses	6,905	5,420
Legal & Professional Fees	13,205	34,195
Rates and Taxes	6,809	10,187
Tender Expenses	-	175
Miscellaneous	-	12,550
	R.O. <u>134,930</u>	<u>318,590</u>
17. CONTINGENT LIABILITIES		
Performance Guarantees	1,933,615	7,124,239
Advance Payment Guarantees	1,743,578	3,823,698
Other Guarantees	117,000	139,000
	R.O. <u>3,794,193</u>	<u>11,086,937</u>

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 contingent 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 period's presentation.