NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

SM & CO
Chartered Certified Accountants

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Table of contents

For the year ended 31 March 2022

	PAGES
Corporate information	2
Commentary of the directors	3
Certificate from the secretary	4
Independent auditor's report	5 - 8
Statement of financial position	9
Statement of profit or loss and other comprehensive income	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13 - 29

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED
Corporate information
For the year ended 31 March 2022

		Date appointed
DIRECTORS :	Louis Clensy APPAVOO	20 June 2014
	Ravindranath RATHO	12 July 2017
	Michael Fabrice Desire DHACOO	13 November 2019
ADMINISTRATOR and SECRETARY :	**As from 28 October 2021** HLB Global Business (Mauritius) Ltd Appavoo Business Centre 29, Bis Mère Barthelemy Street Port Louis Republic of Mauritius	
	Up to 27 October 2021 Appavoo International Ltd Appavoo Business Centre 29, Bis Mère Barthelemy Street Port Louis Republic of Mauritius	
REGISTERED OFFICE :	C/o HLB Global Business (Mauritius) Ltd Appavoo Business Centre 29, Bis Mère Barthelemy Street Port Louis Republic of Mauritius	
AUDITOR :	SM & CO Chartered Certified Accountants Level 4, Belfort Tower Corner Dauphine and Joseph Riviere Street Port Louis Republic of Mauritius	
BANKER :	SBI (MAURITIUS) LTD 34, Sir William Newton Street, Port Louis Republic of Mauritius	

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED
Commentary of the directors
For the year ended 31 March 2022

The directors present their report and the audited financial statements of **NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED** (the "Company") for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is that of taking share participation in businesses in different sectors of the economy located in the Indian Ocean Region.

Results and Dividends

The Company's loss for the year ended 31 March 2022 amounted to **USD 1,045,785** (2021 – Loss of USD 847,168). The directors do not recommend the payment of any dividend for the year under review (2021 - NIL).

Statement of directors' responsibilities in respect of the financial statements

The Company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at 31 March 2022, the statements of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and 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 and in compliance with the requirements of the Mauritius Companies Act 2001.

The directors' responsibilities include: 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 directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

Auditor

The auditor, SM & CO, has expressed its willingness to continue in office and its re-appointment will be proposed at the next Annual General Meeting in accordance with section 200(1) of the Mauritius Companies Act 2001.

Certificate from the secretary

Section 166(d) of Mauritius Companies Act 2001

We certify to the best of our knowledge and belief that **NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED** (the "Company") has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001 for the year ended 31 March 2022.

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HLB Global Business (Mauritius) Ltd
Company Secretary

Date: 09 MAY 2022

Independent auditor's report
To the shareholder of NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED** (the "Company") set out on pages 9 to 29, which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001.

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 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.

Key Audit Matter

1. Non-current and current receivables

Recoverability of receivables from related parties – Note 6 and 7

Non-current and current receivables from related parties for year ended 31 March 2022 totalled USD 45,184,516 for the Company. The main risks identified relate to the high value of the items and their recoverability and the proper application of IFRS 9 to these receivables. Also, the impact that the Covid 19 outbreak may have on the recoverability of these receivables is unclear yet.

Our audit procedures included the review of management's evaluation on the recoverability of these receivables and substantiation of cash flow projections relied upon by management and the assessment of the design and implementation of key controls around the monitoring of recoverability. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Corporate information, Commentary of the directors and Certificate from the secretary as required by the Mauritius Companies Act 2001. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001 applicable to a company holding of a Global Business Licence, as describe in note 2(a) to the financial statements and for such internal control as the directors 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, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interest in, the Company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Independent auditor's report
To the shareholder of NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Use of report

This report is made solely for the Company's shareholder, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, as a body, for our audit work, for this report, or for the opinions we have formed.

SM & CO
Chartered Certified Accountants
Port Louis

B. Sehzad H Bauboo, FCCA
Reporting partner
Licenced by Financial Reporting Council

Date: 09 MAY 2022

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of financial position

As at 31 March 2022

	Note	31 March 2022 USD	31 March 2021 USD
ASSETS			
Non-current assets			
Investments in associates	5	-	1,031,107
Other non-current assets	6	34,709,409	34,709,409
		34,709,409	35,740,516
Current assets			
Short term loans and advances	7	10,475,107	10,475,107
Other current assets	8	31,640	31,499
Cash and cash equivalents		49,499	64,480
		10,556,246	10,571,086
Total assets		45,265,655	46,311,602
EQUITY AND LIABILITIES			
Equity			
Stated capital	9	26,875,080	26,875,080
Instruments entirely equity in nature			
Compulsory convertible debentures	10	20,596,720	20,596,720
Accumulated losses		(33,842,978)	(32,797,193)
Fair value reserves		(4,424,966)	(4,424,966)
		9,203,856	10,249,641
Non-current liability			
Borrowings	11	26,251,628	26,251,628
Current liabilities			
Other payables	12	2,990	3,152
Other financial liabilities	13	9,807,181	9,807,181
		9,810,171	9,810,333
Total liabilities		36,061,799	36,061,961
Total equity and liabilities		45,265,655	46,311,602

The financial statements were approved by the Board of Directors on 09 MAY 2022 and signed on its behalf by:-

Director **Director**

The notes set out on page 13 to 29 form an integral part of these financial statements.
Independent auditor's report on page 5 to 8

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2022

	Note	31 March 2022 USD	31 March 2021 USD
Administrative expenses	15	(14,696)	(14,555)
Operating loss		(14,696)	(14,555)
Other income		18	11,548
Provision for impairment of investments	4 - 5	(1,031,107)	(844,161)
Loss before taxation		(1,045,785)	(847,168)
Taxation	14	-	-
Loss after taxation		(1,045,785)	(847,168)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,045,785)	(847,168)

The notes set out on page 13 to 29 form an integral part of these financial statements.
Independent auditor's report on page 5 to 8

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of changes in equity

For the year ended 31 March 2022

	Stated capital	Accumulated losses	Instruments entirely equity in nature	Fair value reserves	Total equity
	USD	USD	USD	USD	USD
Restated equity at 01 April 2020	26,875,080	(31,950,025)	20,596,720	(4,424,966)	11,096,809
Loss for the year	-	(847,168)	-	-	(847,168)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	(847,168)	-	-	(847,168)
At 31 March 2021	26,875,080	(32,797,193)	20,596,720	(4,424,966)	10,249,641
At 01 April 2021	**26,875,080**	**(32,797,193)**	**20,596,720**	**(4,424,966)**	**10,249,641**
Loss for the year	-	**(1,045,785)**	-	-	**(1,045,785)**
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	**(1,045,785)**	-	-	**(1,045,785)**
At 31 March 2022	**26,875,080**	**(33,842,978)**	**20,596,720**	**(4,424,966)**	**9,203,856**

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED
Statement of cash flows
For the year ended 31 March 2022

Cash flow from operating activities	Note	31 March 2022 USD	31 March 2021 USD
Loss before taxation		**(1,045,785)**	(847,168)
Adjusments for:			
Provision for impairment in investments	**4 - 5**	**1,031,107**	844,161
Operating loss before working capital changes		**(14,678)**	(3,007)
Increase in current assets	**8**	**(141)**	(13)
(Decrease) / increase in other payables	**12**	**(162)**	183
Net cash used in operating activities		**(14,981)**	(2,837)
Net change in cash and cash equivalents		**(14,981)**	(2,837)
Cash and cash equivalents at the beginning of the year		**64,480**	67,317
Cash and cash equivalents at the end of the year		**49,499**	64,480

The notes set out on page 13 to 29 form an integral part of these financial statements.
Independent auditor's report on page 5 to 8

1 GENERAL INFORMATION

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED (the "Company") is a limited liability company incorporated and domiciled in the Republic of Mauritius. The address of its registered office is C/o HLB Global Business (Mauritius) Ltd, Appavoo Business Centre, 29 Bis Mère Barthélémy Street, Port Louis.

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED holds a Global Business Licence and deals in taking share participation in businesses in different sectors of the economy located in the Indian Ocean Region and conduct businesses generally.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) and under the requirements of Mauritius Companies Act 2001.

(b) Basis of measurement

The financial statements have been prepared on the going concern basis using the historical cost convention except as otherwise stated.

(c) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollar ('USD'), which is the Company's functional and presentation currency.

(d) New and amended standards and interpretations

Standards and interpretations effective and adopted in the current year

- Interest Rate Benchmark Reform-Phase Two-Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (effective for the annual periods beginning on or after 1 January 2021).

Standards and interpretations not yet effective

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2022 and which have not been adopted in these financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

(d) New and amended standards and interpretations (Continued)

Standards and interpretations not yet effective (Continued)

The Company is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the year of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the Company's results of operations and financial position.

- Reference to the conceptual framework-Amendments to IFRS 3 (effective for the annual periods beginning on or after 1 January 2022).
- Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16 (effective for the annual periods beginning on or after 1 January 2022).
- Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37 (effective for the annual periods beginning on or after 1 January 2022).
- Insurance contracts - IFRS 17 (effective for the annual periods beginning on or after 1 January 2023).
- Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective for the annual periods beginning on or after 1 January 2023).
- Disclosure of accounting policies - IAS 1 and IFRS practice statements (effective for the annual periods beginning on or after 1 January 2023).
- Definition of accouting policies - IAS 8 (effective for the annual periods beginning on or after 1 January 2023).
- Deferred tax related to assets and liabilities arising from a single transation - IAS 12 (effective for the annual periods beginning on or after 1 January 2023).

2.2 Investment in associates

Associates are those entities which are not subsidiaries, over which the company has significant influence and in which it holds a long term equity interest. In the Company's financial statements, investments in associates are carried at cost, less any impairment loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Financial instruments

Other current assets

a. Classification

Other current assets, excluding, when applicable, prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Company's business model is to collect the contractual cash flows on other current assets.

b. Recognition and measurement

Other current assets are recognised when the Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Other payables

a. Classification

Other payables excluding amounts received in advance are classified as financial liabilities subsequently measured at amortised cost.

They are subsequently measured at amortised cost using the effective interest method.

b. Recognition and measurement

They are recognised when the Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Financial instruments (Continued)

Other payables (Continued)

b. Recognition and measurement (Continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings

All borrowings are initially measured at fair value of consideration received, net of directly attributable transaction cost. After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

a. Financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b. Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Financial instruments (Continued)

Impairment of financial assets

The Company has not recognised any loss allowance for expected credit losses on cash and cash equivalents that are measured at amortised cost as the Company holds in cash and cash equivalents in reputable banking institutions. The Company has adopted a formal write off policy for financial assets. This has resulted in no previously recognised impairment provisions against the credit quality of the financial assets held at amortised cost.

(a) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) The financial instrument has a low risk of default;
2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(b) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Financial instruments (Continued)

Impairment of financial assets (Continued)

(c) Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of other receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(d) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

The assessment of the ECL of a financial asset or portfolio of financial assets entails estimations of the likelihood of defaults occurring and of default correlations between counterparties. The Company measures ECL using probability of default (PD), exposure at default (EAD) and loss given default (LGD). These three components are multiplied together and adjusted for the likelihood of default. The calculated ECL is then discounted using the original effective-interest rate of the financial asset.If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Impairment of non financial assets

At each reporting date, the Company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered any impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

2.4 Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Share application monies

Share application monies represent advances received from the holding company which have not yet been converted into stated capital at the end of the reporting year.

2.6 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.7 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

2.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.9 Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Related parties (Continued)

A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control of the reporting entity;
(ii) has significant influence over the reporting entity; or
(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

2.10 Expenses recognition

All expenses are accounted for in the statement of profit or loss on the accruals basis.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 2, the directors have made the following judgments that have the most effect on the amounts recognized in the financial statements.

Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising there are dependent on the functional currency selected. The directors have considered those factors therein and have determined that the functional currency of the Company is USD.

4. INVESTMENTS IN SUBSIDIARY

	31 March 2022 USD	31 March 2021 USD
Investments in subsidiary	-	-

The directors consider the carrying amounts of investments in subsidiaries to represent their fair value.

The consolidated financial statements have not been prepared as required by IFRS 10 'Consolidated Financial Statements' since its ultimate parent produces consolidated financial statements that are available for public use and comply with IFRSs.

Details of the Company's investments in subsidiaries are as follows:

Name	Country of incorporation and operation	Business activity	Shareholdings %	31 March 2022 USD	31 March 2021 USD
Al Mubarakia Contracting Company Ltd	Dubai	Building Contracting	100	220,964	220,964
Provision for impairment				(220,964)	(220,964)
				-	-

5. INVESTMENTS IN ASSOCIATES

	31 March 2022 USD	31 March 2021 USD
Investments in associates	-	1,031,107

Details of the Company's investments in associates are as follows:

Name	Country of incorporation and operation	Business activity	Shareholdings %	31 March 2022 USD	31 March 2021 USD
Himalayan Green Energy Pvt Ltd	India	Hydroelectric Power Plant	50	623,197	623,197
Provision for impairment				(623,197)	(623,197)
				-	-
Apollonius Coal and Energy Pte Ltd	Singapore	General Wholesale Trade & Mining Support Activities	27	1,031,107	1,820,000
Provision for impairment				(1,031,107)	(788,893)
				-	1,031,107

The directors consider the carrying amounts of investments in associates to represent their fair value.

6. OTHER NON-CURRENT ASSETS

	31 March 2022 USD	31 March 2021 USD
Loans receivable from related parties (Note 16 (d))		
At beginning and end of the year	**34,709,409**	34,709,409

None of the classes within long-term loans and advances contained impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of loans and advances mentioned above. The Company does not hold any collateral as security.

7. SHORT-TERM LOANS AND ADVANCES

	31 March 2022 USD	31 March 2021 USD
Loans receivable from related parties (Note 16(d))		
At beginning and end of the year	**10,475,107**	10,475,107

None of the classes within short-term loans and advances contained impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of each class of loans and advances mentioned above. The Company does not hold any collateral as security.

8. OTHER CURRENT ASSETS

	31 March 2022 USD	31 March 2021 USD
Share application money	**30,000**	30,000
Prepayments	**1,640**	1,499
Total other current assets	**31,640**	31,499

The carrying amount of other current assets approximate their fair value.

9. STATED CAPITAL

	31 March 2022 USD	31 March 2021 USD
Issued and fully paid 2,687,508 ordinary share of USD 10 each	**26,875,080**	26,875,080

Each of the above shares confers to its holder the following rights:

a) the right to vote on a poll for every share held at a meeting of the Company on any resolution;
b) the right to an equal share in dividends authorised by the board; and
c) the right to an equal share in the distribution of the surplus assets of the Company.

Nagarjuna Construction Company Limited is the sole shareholder of the Company.

10. INSTRUMENTS ENTIRELY EQUITY IN NATURE

	31 March 2022 USD	31 March 2021 USD
Compulsorily convertible debentures		
At beginning and end of the year	**20,596,720**	20,596,720

10. INSTRUMENTS ENTIRELY EQUITY IN NATURE (CONTINUED)

(a) Compulsorily Convertible Debentures - Unsecured

Description
The above closing balances consist of loans and advances (Unsecured) from shareholder converted into 20,540,600 Unsecured Compulsorily Convertible Debentures (CCDs) of USD 1 aggregating USD 20,540,600, issued on 15 March 2017.

Interest Rights
0% (Zero Percent)

Terms
The Parties may, by mutual consent convert, the CCDs into Equity Shares in the manner specified below in the Conversion Terms, in one or more tranches, prior to the expiry of such five (5) year period subject compliance of the applicable law applicable in Mauritius.

Conversion Terms
CCDs shall be compulsorily converted in to Equity Shares, in the fixed proportion of 1 Equity Shares per 1 CCD. The value of the CCDs and / or the Equity Shares underlying such CCDs shall not in any manner impact the conversion ratio of 1 CCD per 1 Equity Share.

11. BORROWINGS

	31 March 2022 USD	31 March 2021 USD
Non-current		
Loans and advances from related party (Unsecured)		
At the beginning and end of the year	**26,251,628**	26,251,628

12. OTHER PAYABLES

	31 March 2022 USD	31 March 2021 USD
Accrued expenses	**2,990**	3,152

The carrying amount of the other payables approximate their fair values.

13. OTHER FINANCIAL LIABILITIES

	31 March 2022 USD	31 March 2021 USD
Interest payable to shareholder	**9,807,181**	9,807,181

14. TAXATION

The Company, being the holder of a Global Business Licence, is liable to income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15%.

Taxation changes in Mauritius

Effective from 1 January 2019 and subject to the following transitional provisions, credit in respect of the 80% presumed foreign tax has been abolished:

14. TAXATION (CONTINUED)

Taxation changes in Mauritius (Continued)

Corporations issued with a Category 1 Global Business Licence (GBC 1 Licence) on or before:	Transitional Provisions
16 October 2017	Credit in respect of 80% presumed foreign tax available up to 30 June 2021

Effective 1 January 2019, an 80% partial exemption has been introduced. The partial exemption is available on following specified income, and as applicable, is conditional on the Company satisfying the conditions relating to the substance of its transactions, as prescribed by the Financial Services Commission.

- Foreign source dividend
- Interest income
- Income attributable to a permanent establishment which a resident company has in a foreign country
- Income derived by a collective investment scheme (CIS), closed end fund, CIS Manager, CIS Administrator, Investment Advisor or Asset Manager
- Income derived by companies engaged in ship and aircraft leasing
- Leasing and provision of international fibre capacity
- Leasing and provision of international fibre capacity
- Reinsurance and reinsurance brokering activities
- Sale, financing arrangement, asset management of aircraft and its spare parts and aviation related advisory services

Reconciliation of effective tax	31 March 2022 USD	31 March 2021 USD
Loss before taxation	**(1,045,785)**	(847,168)
Tax at the applicable rate of 15%	**(156,868)**	(127,075)
Adjustment for non-allowable expenses	**154,666**	126,624
Unused tax losses	**2,202**	451
Tax charge for the year	**-**	-

At 31 March 2022, the Company has accumulated tax losses of **USD 13,608,984** (2021: USD 13,247,829). No provision for deferred tax asset was made for unused tax losses since it is uncertain whether future profits would be available.

15. ANALYSIS OF EXPENSES BY NATURE

	31 March 2022 USD	31 March 2021 USD
Licence fee	**2,489**	2,371
Legal and professional fees	**5,689**	8,654
Audit fees	**5,637**	2,565
Bank charges	**881**	920
Exchange loss	**-**	45
	14,696	14,555

16. RELATED PARTY TRANSACTIONS

(a) Holding company

The directors regard NCC Limited which is incorporated in the Republic of India, as the Company's immediate and ultimate holding company.

(b) Associates

(i) Himalayan Green Energy Pvt Ltd, a company incorporated in India, is an associate with a 50% holding.

(ii) Apollonius Coal and Energy Pte Ltd, a company incorporated in the Republic of Singapore, is an associate with a 27% holding.

(c) Companies controlled by the directors

(i) Nagarjuna Contracting Co. International LLC Muscat (Oman) is considered related party in view of the control exercised thereon by the ultimate owners of the company.

(d) Transactions entered with related parties

	31 March 2022	31 March 2021
	USD	USD
Receivables		
NCC Urban Infrastructure Company Limited	**34,709,409**	34,709,409
NCC International LLC Muscat	**10,475,107**	10,475,107
	45,184,516	45,184,516
Borrowings		
Loan from shareholder	**26,251,628**	26,251,628
Other financial liabilities		
Interest payable to shareholder	**9,807,181**	9,807,181

17. FINANCIAL INSTRUMENTS

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The gearing ratio at the year end was as follows:	31 March 2022 **USD**	31 March 2021 USD
Debt (i)	**26,251,628**	26,251,628
Cash and cash equivalents	**49,499**	64,480
Net debt	**26,301,127**	26,316,108
Equity (ii)	**11,093,802**	11,096,809
Net debt to equity ratio	**0.42**	0.42

17. FINANCIAL INSTRUMENTS (CONTINUED)

Capital risk management (Continued)

(i) Debt includes shareholder loan
(ii) Equity includes capital and accumulated losses.

Financial risk management

The Company's Corporate Treasury function provides services to the business, co-ordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Company.

These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The following table summarises the carrying amount of financial assets and financial liabilities recorded by category.

	31 March 2022	31 March 2021
	USD	USD
FINANCIAL ASSETS		
Cash and cash equivalents	**49,499**	64,480
Other financial assets at amortised cost	**45,184,516**	45,184,516
Other current assets	**30,000**	30,000
	45,264,015	45,278,996
FINANCIAL LIABILITIES		
Borrowings	**26,251,628**	26,251,628
Other payables	**9,810,171**	9,810,333
	36,061,799	36,061,961

Foreign currency risk management

Since the Company operates internationally, it is exposed to foreign currency risk as part of its normal commercial business.

Financial assets are analysed by currency as follows:

31 MARCH 2022	**USD**	**OMR**	**AED**
Other financial assets at amortised costs	**-**	**10,475,107**	**34,709,409**
Cash and cash equivalents	**49,499**	**-**	**-**
Other current assets	**30,000**	**-**	**-**

31 MARCH 2021	USD	OMR	AED
Other financial assets at amortised costs	-	10,475,107	34,709,409
Cash and cash equivalents	64,480	-	-
Other current assets	30,000	-	-

17. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (Continued)

Financial liabilities are analysed by currency as follows:

31 MARCH 2022	**EUR**	**INR**
Borrowings	**-**	**26,251,628**
Other payables	**2,990**	**9,807,181**

31 MARCH 2021	EUR	INR
Borrowings	-	26,251,628
Other payables	3,152	9,807,181

Interest rate risk management

The Company's exposure to interest rate risk mainly concerns financial liabilities which are both fixed rate and floating rate. At present, the Company does not hold any interest-bearing loans and receivables.

Credit risk management

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, as well as credit exposures arising from outstanding and committed transactions due from third parties. The Company is also exposed to the risk that its assets held with counterparties and banks may not be recoverable in the event of default by the parties concerned.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. At the reporting date, the Company's financial assets maximum exposure to credit risk amounted to the following:

	2021	2020
	USD	USD
Loan receivables	**45,184,516**	45,184,516
Cash and cash equivalents	**49,499**	64,480
	45,234,015	45,248,996

Financial assets that are neither past due nor impaired

Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit rating risk and with no history of default.

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

17. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (Continued)

Liquidity risk management (Continued)

Liquidity and interest tables

	At Call	1-5 years	5+ years	Total
	USD	USD	USD	USD
31 MARCH 2022				
Borrowings	**26,251,628**	**-**	**-**	**26,251,628**
Other payables	**2,990**	**-**	**-**	**2,990**
Other financial liabilities	**9,807,181**	**-**	**-**	**9,807,181**
	36,061,799	**-**	**-**	**36,061,799**
31 MARCH 2021				
Borrowings	26,251,628	-	-	26,251,628
Other payables	3,152	-	-	3,152
Other financial liabilities	9,807,181	-	-	9,807,181
	36,061,961	-	-	36,061,961

Fair value of financial instruments

Except where stated elsewhere, the carrying amounts of the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

18. CONTINGENT LIABILITIES

The Company has no contingent liabilities at 31 March 2022.

19. CAPITAL COMMITMENTS

The Company has no capital commitments at 31 March 2022.

20. HOLDING COMPANY

The directors regard Nagarjuna Construction Company Limited, a company incorporated in the Republic of India , as its holding company.

21. EVENTS AFTER THE REPORTING PERIOD

There have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2022.

22. IMPACT OF COVID-19

As at the date of approval of these financial statements, the COVID-19 crisis is still un-folding, and there will be some uncertainty remaining around the accurate assessment of the full impact of COVID-19 crisis or any prediction regarding the future course of events that would arise due to the COVID-19 crisis.

The directors have made an assessment of the Company as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but is not limited to, twelve months from the date of approval of these annual financial statements and confirm that they have not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.