NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Audited Financial statements

For the year ended 31 March 2016

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Audited Financial statements

For the year ended 31 March 2016

The reports and statements set out below comprise the audited financial statements presented to the shareholders:

Approval and statement of responsibility

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The external auditors are responsible for independently auditing and reporting on the fair presentation of financial statements in conformity with International Standards on Auditing. The financial statements have been prepared in accordance with International Financial Reporting Standards and in the manner required by the Mauritius Companies Act 2001.

The directors are also responsible for the company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

The financial statements which appear on pages 4 to 24 were approved by the board of directors and signed on its behalf by:

Director

Date: 04 APR 2016

Independent Auditors' report
To the shareholders of NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted in law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report or for the opinions we have formed.

Report on the Financial Statements

We have audited the accompanying financial statements of NCC Infrastructure Holdings Mauritius Pte Limited, set out on pages 4 to 24 which comprise the statement of financial position as at 31 March 2016 and the statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' report
To the shareholders of NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMTED [cont'd]

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of NCC Infrastructure Holdings Mauritius Pte Limited as at 31 March 2016 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001.

Report on Other Legal 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 auditors;
- 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 appears from our examination of those records.

HLB Appavoo & Associates
Public Accountants and management consultants
Port Louis

Louis Clensy Appavoo, FCCA, MBA
Reporting partner
Licensed by Financial Reporting Council

Date: 04 APR 2016

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of Financial Position
As at 31 March 2016

	NOTES	2016 USD	2015 USD
ASSETS			
Non-current assets			
Investment in Subsidiaries	4	5,120,443	5,120,443
Investment in Associates	5	22,018,830	21,938,830
		27,139,273	27,059,273
Current assets			
Accounts receivables	6	47,522,020	45,777,681
Cash and cash equivalents		4,325	89,796
		47,526,345	45,867,477
Total assets		74,665,618	72,926,750
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the company			
Stated capital	7	26,875,080	26,875,080
Retained earnings		4,986,629	5,472,642
		31,861,709	32,347,722
Non-Current liabilities			
Borrowings	8	32,991,948	32,972,948
Current liabilities			
Accounts payables	9	9,811,961	7,606,080
Taxation	10	-	-
Total equity and liabilities		74,665,618	72,926,750

These accounts were approved by the Board of Directors on 04 APR 2016 and signed on its behalf by:-

Director

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2016

	NOTES	2016 USD	2015 USD
Revenue		1,733,934	3,457,093
Operating costs	11	(15,543)	(47,630)
Operating profit		1,718,391	3,409,463
Finance costs	11	(2,204,326)	(4,219,599)
(Loss) / gain on exchange	11	(78)	533
Other income		-	-
Loss before taxation		(486,013)	(809,603)
Taxation	10	-	-
Loss after taxation		(486,013)	(809,603)
Other comprehensive income :			
Items that will not be classified to profit and loss		-	-
Items that will or may be classified to profit and loss		-	-
Other comprehensive income for the period - net of tax		-	-
Total comprehensive loss for the year		(486,013)	(809,603)
Loss per share	12	(0.18)	(0.30)

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of Cash Flows

For the year ended 31 March 2016

	2016	2015
	USD	USD
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(486,013)	(809,603)
Adjusment for:		
Interest paid	2,204,326	4,219,599
Operating profit before working capital changes	1,718,313	3,409,996
Increase in accounts receivables	(1,744,339)	(3,408,276)
Increase in accounts payables	2,205,881	4,025,261
Cash generated from operations	2,179,855	4,026,981
Interest paid	(2,204,326)	(4,219,599)
Net cash used in operating activities	(24,471)	(192,618)
Cash flow from investing activities		
Purchase of investments	(80,000)	-
Net cash used in investing activities	(80,000)	-
Cash flow from financing activities		
Proceeds from shareholders loan	19,000	336,168
Net cash generated from financing activities	19,000	336,168
Net change in cash and cash equivalents	(85,471)	63,550
Cash and cash equivalents at the beginning of the year	89,796	26,246
Cash and cash equivalents at the end of the year	4,325	89,796

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED

Statement of Changes in Equity

For the year ended 31 March 2016

	Share Capital	Retained Earnings	Total Equity
	USD	USD	USD
At 01 April 2014	26,875,080	6,282,245	33,157,325
	-	-	-
Loss for the year	-	(809,603)	(809,603)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(809,603)	(809,603)
At 31 March 2015	26,875,080	5,472,642	32,347,722
At 01 April 2015	26,875,080	5,472,642	32,347,722
Loss for the year	-	(486,013)	(486,013)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(486,013)	(486,013)
At 31 March 2016	26,875,080	4,986,629	31,861,709

1. General information

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED is a limited liability company incorporated and domiciled in the Republic of Mauritius. The address of its registered office is Appavoo International Ltd, Appavoo Business Centre, 29 Bis Mère Barthélémy Street, Port Louis.

NCC INFRASTRUCTURE HOLDINGS MAURITIUS PTE LIMITED holds a category 1 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. Summary of 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

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

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.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account.

2.2 Basis of measurement (Continued)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Company at the end of the reporting period during which the change occurred.

2.3 New and revised IFRSs and IASs effective during the year

IFRS 10	Consolidated Financial Statements - Amendments deferring the effective date of the September 2014 amendments

2.4 New and revised IFRSs and IASs in issue but not yet effective

The directors anticipate that the application of these Standards and Interpretations below on the above effective dates in future periods will have no material impact on the financial statements of the Company.

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations - Amendments resulting from September 2014 Annual Improvements to IFRSs *(Annual periods beginning on or after 1 January 2016)*
IFRS 9	Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition *(Effective for annual periods beginning on or after 1 January 2018)*
IFRS 10	Consolidated Financial Statements - Amendments regarding the application of the consolidation exceptions *(Annual periods beginning on or after 1 January 2016*
IFRS 11	Joint Arrangements - Amendments regarding the accounting for acquisitions of an interest in a joint operation *(Annual periods beginning on or after 1 January 2016)*
IFRS 12	Disclosure of Interests in Other Entities - Amendments regarding the application of the consolidation exception *(Annual periods beginning on or after 1 January 2016)*
IFRS 14	Regulatory Deferral Accounts - Original issue *(Applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016)*

2.4 New and revised IFRSs and IASs in issue but not yet effective (Continued)

IFRS 15	Revenue from Contracts with Customers - Amendments to defer the effective date to 1 January 2018 *(Annual periods beginning on or after 1 January 2018)*
	Presentation of Financial Statements - Amendments resulting from the disclosure initiative *(Annual periods beginning on or after 1 January 2016)*
IAS 16	Property, Plant and Equipment - Amendments regarding the clarification of acceptable methods of depreciation and amortisation *(Annual periods beginning on or after 1 January 2016)*
IAS 16	Property, Plant and Equipment - Amendments bringing bearer plants into the scope of IAS 16 *(Annual periods beginning on or after 1 January 2016)*
IAS 27	Separate Financial Statements (as amended in 2011) - Amendments reinstating the equity method as an accounting option for investments in in subsidiaries, joint ventures and associates in an entity's separate financial statements *(Annual periods beginning on or after 1 January 2016)*
IAS 28	Investments in Associates and Joint Ventures - Amendments regarding the application of the consolidation execption *(Annual periods beginning on or after 1 January 2016)*
IAS 28	Investments in Associates and Joint Ventures - Amendments deferring the effective date of the September 2014 amendments *(Immediately)*
IAS 28	Investments in Associates and Joint Ventures - Amendments regarding the clarification of acceptable methods of depreciation and amortisation *(Annual periods beginning on or after 1 January 2016)*
IAS 41	Agriculture - Amendments bringing bearer plants into the scope of IAS 16 *(Annual periods beginning on or after 1 January 2016)*

2.5 Intangible assets

Expenditure to acquire patents, trademarks and licenses is capitalised and amortised using the straight-line method over their useful lives, but not exceeding 20 years.

Intangible assets are not revalued.

At each statement of financial position date the Company reviews the carrying amount of each intangible asset. If there is any indication of impairment, a write down is made if the carrying amount exceeds the recoverable amount.

2.6 Investment in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are shown at cost and provision is only made where in the opinion of the directors there is a permanent diminution in value. Where there has been a permanent diminution in the value of an investment it is recognised as an expense in the period in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of financial position.

2.7 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.

2.8 Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Company has become party to the contractual provisions of the financial instruments.

Except where stated separately, the carrying amounts of the Company's financial instruments approximate their fair values. These instruments are measured as set out below:

(i) <u>Financial assets</u>

Financial assets are classified into the following specified categories: 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(a) Available-for-sale financial assets

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as being 'available-for-sale' and are stated at fair value. Investments which are not quoted are valued using a variety of methods such as dividend yield, discounted earnings and net asset values as appropriate.

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as being 'available-for-sale' and are stated at fair value. Investments which are not quoted are valued using a variety of methods such as dividend yield, discounted earnings and net asset values as appropriate.

2.8 Financial instruments (Continued)

(i) Financial assets (Continued)

(b) Available-for-sale financial assets

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as being 'available-for-sale' and are stated at fair value. Investments which are not quoted are valued using a variety of methods such as dividend yield, discounted earnings and net asset values as appropriate.

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as being 'available-for-sale' and are stated at fair value. Investments which are not quoted are valued using a variety of methods such as dividend yield, discounted earnings and net asset values as appropriate.

Gains and losses arising from changes in fair value are recognized directly in equity in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest rate method and foreign exchange gains and losses on monetary assets, which are recognised directly in statement of financial position. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investments revaluation reserve is included in statement of financial position for the period.

Available-for-sale investments which do not have a quoted market price and whose fair value cannot be reliably measured, are carried at cost, less any impairment loss.

(c) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(d) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on 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 asset, or where appropriate, a shorter period.

2.8 Financial instruments (Continued)

(i) Financial assets (Continued)

(e) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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 the associated liability for the 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.

(ii) Financial liabilities

(a) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(c) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognized on an effective yield basis.

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. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(d) Derecognition of financial liabilities

The Company derecognises financial liabilities when, only when, the Company’s obligations are discharged, cancelled or they expire.

2.8 Financial instruments (Continued)

(iii) Impairment of financial assets

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have impacted.

For unlisted shares classified as ‘Available-for-sale’, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company’s past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced by the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of financial position.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through statement of financial position to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2.8 Financial instruments (Continued)

(iii) Impairment of financial assets (Continued)

In respect of available-for-sale equity securities, impairment losses previously recognised through statement of financial position are not reversed through statement of financial position. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial position within 'operating costs'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'operating costs' in the statement of financial position.

2.10 Share 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.

2.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of financial position over the period of the borrowings using the effective interest method.

2.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.13 Accounts payables

Accounts payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 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.

2.15 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2.16 Dividend income

Dividend income from investments is accounted as and when the Company is entitled to receive such dividends.

2.17 Foreign currency

The financial statements are presented in the currency of the primary economic environment in which the entity operates, known as its functional currency. The financial statements are presented in United States Dollar (USD) which is the company functional and presentation.

2.17 Foreign currency (Continued)

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities denominated in foreign currencies are retranslated into the entity's functional currency at the rates of exchange prevailing on the statement of financial position date.

Exchange differences arising on the settlement and retranslation of monetary items are recognised in the statement of financial position.

2.18 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.

2.19 Dividends

Dividends to the company's shareholders are recorded in the Company's financial statements in the period in which they are approved by the Company's directors.

2.20 Impairment of tangible and intangible excluding goodwill

At each statement of financial position date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of financial position, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the statement of financial position, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.21 Related parties

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

3. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

3.1 Accounting judgement in applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 1, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements apart from those involving estimations, which are dealt with below.

(i) Determination of functional currency of the Company

As described in Note 1.15, the determination of the functional currency of the Company's entities is critical since the way in which every transaction is recorded and whether exchange differences arising are dependent on the functional currency selected. In making this judgement, the directors have considered the currencies in which revenue is received, the country of the country whose competitive forces and regulations matter, the currencies in which labour, material and other costs are settled, the currencies in which funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The directors have determined that the functional currency of the Company is the United States Dollar (USD).

4. INVESTMENT IN SUBSIDIARIES

	2016 USD	2015 USD
Investment in subsidiaries	5,120,443	5,120,443

Name of subsidiaries	Country of incorporation and operation	Business activity	Shareholdings %		
Liquidity Limited	Mauritius	Investment Holding	100	2,949,480	2,949,480
Al Mubarakia Contracting Company Ltd	Dubai	Building Contracting	100	2,170,963	2,170,963
				5,120,443	5,120,443

5. INVESTMENT IN ASSOCIATES

	2016 USD	2015 USD
At beginning of year	21,938,830	21,858,830
Additions	80,000	80,000
At end of year	22,018,830	21,938,830

Name of associates	Country of incorporation and operation	Business activity	Shareholdings %		
Himalayan Green Energy Pvt Ltd	India	Hydroelectric Power Plant	23	2,518,701	2,518,701
Tellapur Technocity (Mauritius)	Mauritius	Investment Holding	26	17,220,129	17,140,129
Apollonius Coal and Energy Pte Ltd	Singapore	General Wholesale Trade & Mining Support Activities	27	2,280,000	2,280,000
				22,018,830	21,938,830

6. ACCOUNTS RECEIVABLES

	2016	2015
	USD	USD
Loans receivable from related parties (Note 13)	30,431,793	30,431,793
Other receivables from related parties (Note 13)	17,058,668	15,314,139
Other debtors and prepayments	31,559	31,749
	47,522,020	45,777,681

None of the classes with accounts receivables contained impaired assets.

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

7. STATED CAPITAL

Stated capital	26,875,080	26,875,080

8. BORROWINGS

Unsecured Loan		
Interest bearing shareholders' loan	32,991,948	32,972,948

9. ACCOUNTS PAYABLES

Other creditors and accruals	9,811,961	7,606,080

10. TAXATION

Statement of financial position		
Current tax on chargeable income for the year	-	-
Tax paid under Advance Payment System	-	-
Excess tax paid (other receivables)	-	-
	-	-
Statement of profit or loss and other comprehensive income		
Current tax on chargeable income for the year	-	-
Tax expense reconciliation		
Loss before taxation	(486,013)	(809,603)
Tax at the applicable rate of 15%	(72,902)	(121,440)
Foreign tax credit (80%)	58,322	97,152
To unused tax losses	14,580	24,288
Tax charge for the year	-	-

11. ANALYSIS OF EXPENSES BY NATURE

	2016	2015
	USD	USD
Licence fee	2,386	2,706
Legal and professional fees	6,683	37,525
Audit fees	5,533	5,911
Bank charges	941	1,488
Exchange loss / (gain)	78	(533)
Interest on loan	2,204,326	4,219,599
	2,219,947	4,266,696

12. LOSS PER SHARE

	2016	2015
Loss per share	(0.18)	(0.30)
The calculation of loss per ordinary share is based on the following parameters:		
Loss for the year	(486,013)	(809,603)
Number of ordinary shares issued	2,687,508	2,687,508

13. RELATED PARTY TRANSACTIONS

(a) Companies controlled by the directors

(i) Nagarjuna Contracting Co. LLC (Dubai) is considered a related party in view of the control exercised thereon by the ultimate owners of the company:

(b) Subsidiaries

(i) Liquidity Ltd, a company incorporated under Mauritian law, is the subsidiary with a 100 % holding of NCC Infrastructure Holdings Mauritius Pte Limited.

(ii) Al Mubarakia Contracting Co. LLC, a company incorporated in Dubai, is the subsidiary with a 100 % holding of NCC Infrasructure Holdings Mauritius Pte Limited.

(c) Associates

(i) Himalayan Green Energy Pvt Ltd, a company incorporated in India, is an associate with a 23 % holding.

(ii) Tellapur Technocity (Mauritius), a company incorporated under Mauritian law, is an associate with a 26 % holding.

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

(d) Holding company

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

(e) Transactions entered with related parties

	2016	2015
Receivables		
Nagarjuna Contracting Co. LLC	25,813,720	24,994,898
Al Mubarakia Contracting Co. LLC	21,572,033	20,656,921
Liquidity Limited	104,708	94,113
	47,490,461	45,745,932

14. ANNUAL REPORT

The shareholders have unanimously resolved per section 218 (2) of the Mauritian Companies Act 2001 to dispense with the need to prepare an annual report for the company.

15. CURRENCY

The financial statements are presented to the nearest United States Dollar.

16. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2015.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in notes 7, cash and cash equivalents and equity , comprising issued capital and retained earnings.

Gearing ratio

The Company's has a target gearing ratio up to a maximun of 100 % determined as the proportion of net debt to equity.

The gearing ratio at the year end was as follows:

	2016	2015
	USD	USD
Debt (i)	32,991,948	32,972,948
Cash and cash equivalents	4,325	89,796
Net debt	32,996,273	33,062,744
Equity	31,861,709	32,347,722
Net debt to equity ratio	104%	102%

(i) Debt is defined as long and short term borrowings, finance leases and overdrafts.
(ii) Equity includes all capital and reserves of the Company.

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, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

16. FINANCIAL INSTRUMENTS (Continued)

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rate on it's bank borrowing. The Company manages its exposure by replicating the risk profile to an equivalent amount of interest bearing financial asset (loan receivable).

Foreign currency risk management

The Company has no exposure to foreign currency risk as all its transactions are dealt in its functional currency.

Interest rate risk management

The Company is exposed to interest rate risk as it borrows funds at floating interest rates. The risk is managed by the Company by maintaining an appropriate floating rate for equivalent loan receivable.

The interest rate profile of the Company at March 31 was:

Financial liabilities

	Borrowings Interest rate	
	2016	2015
	%	%
US Dollar	12%	12%

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both financial assets and liabilities at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. 100 basis point increase or decrease is used and represents management's assessment of the reasonably possible change in interest rate.

If interest rates had been 100 basis point higher / lower and all other variables were held constant:

	USD	USD
Profit or loss	329,919	329,729

16. FINANCIAL INSTRUMENTS (Continued)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropiate, as a means of mitigating the risk of financial loss from defaults. The Company only transact with entities of good credit rating. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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.

Liquidity and interest risk tables

	Weighted average effective interest rate	At Call	Less than 3 months	Within 1 year	1-5 years	5+ years	Total
	%	USD	USD	USD	USD	USD	USD
2016							
Variable interest rate instruments	12%	-	-	-	-	32,991,948	32,991,948
2015							
Variable interest rate instruments	12%	-	-	-	-	32,972,948	32,972,948

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.