

PUNJ LLOYD KAZAKHSTAN, LLP

Financial Statements

**For the Year Ended March 31, 2019
With Independent Auditor's Review**

PUNJ LLOYD KAZAKHSTAN LLP

Financial Statements –March 31,2019

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of «Punj Lloyd Kazakhstan» LLP

Opinion

We have audited the accompanying financial statements of « Punj Lloyd Kazakhstan » LLP (hereafter – Company), which comprise the balance sheet as at 31 March 2019 and other comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 March 2019 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 March, 2019, and its financial results and cash flows for the period ended 31 March 2019 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Audit Standards. Our responsibilities in accordance with these standards are described in the section below.

"The responsibility of the auditor for the audit of financial statements" of our report.

We are independent of the Company in accordance with the Ethical requirements applicable to our audit of financial statements in the Republic of Kazakhstan, and we have fulfilled other ethical duties in accordance with these requirements. We believe that our audit evidence is sufficient and appropriate to serve as a basis for expressing our opinion.

Significant uncertainty regarding business continuity

We draw attention to point no 1 (a) to the financial statement wherein the directors of the company have decided to voluntarily winding up of the company

Management's responsibility and those responsible for the corporate governance of financial statements

Partnership management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, as well as the internal control procedures that are appropriate in the opinion of management, to ensure the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue its activities continuously, for disclosure of appropriate information relating to business continuity, and for drawing up reports on the basis of going concern basis, except in cases when the leadership intends to liquidate the Company to cease its activities, or when it does not have any other real alternative other than liquidation or winding-up.

Those responsible for corporate governance are responsible for overseeing the preparation of financial statements of the Company.

Responsibility of the auditor for the audit of financial statements

Our goal is to obtain reasonable assurance whether the financial statements are free from material misstatement, whether due to fraud or error, and issue an audit report containing our opinion. Reasonable assurance is a high degree of confidence, but it is not a guarantee that an audit conducted in accordance with International Standards on auditing, always identifies material misstatements, if any. Distortion can be the result of fraud or error, and considered essential, if one can reasonably assume that, individually or taken together, they could influence the economic decisions of users taken based on the financial statements.

As part of an audit conducted in accordance with International Audit Standards, we apply professional judgment and maintain professional skepticism throughout the audit. In addition, we perform the following:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; we develop and carry out audit procedures in response to these risks; obtain audit evidence is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, a sun scrupulous actions may include collusion, forgery, deliberate omission, a distorted view of information or action to bypass the internal control system;
- we obtain an understanding of internal control relevant to the audit, to develop audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of the Association;
- assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures prepared by management;
- we conclude on the legality of applying the going concern assumption, and on the basis of the audit evidence obtained - a conclusion whether there is significant uncertainty in relation to events or conditions that result can be considerable doubt as to the Company's ability to continue its operations continuously. If we conclude that there is significant uncertainty, we must draw attention in our report to the appropriated is closures in the financial statements, or if such disclosure is inadequate, modify our opinion.
- Our findings are based on audit evidence obtained prior to the date of our audit report. However, future events or conditions may lead to the fact that the Partnership will lose the ability to continue its operations continuously;
- We assess the presentation of the financial statements as a whole, its structure and content, including the disclosure of information, and that is whether the financial statements of the underlying transactions and events so that they are fair presentation was provided.

«QazFinAudit» LLP

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We provide information interaction with those responsible for corporate governance, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as on significant observations on the results of the audit, including the significant shortcomings of the internal control system, which we reveal during the audit.

May 17, 2019

Almaty, Kazakhstan

Approved and signed:

«QazFinAudit» LLP

State license for the occupation audit activity



Velyamov R. T.

Director of «QazFinAudit» LLP

№18021210 dated November 23, 2018,

(the Qualification certificate №MF-0000258 from July 1, 2015)

Issued by the Internal State Audit Committee

Ministry of Finance of the Republic of Kazakhstan

Goikolova Y.

Responsible Auditor

(Qualification certificate № MF-0000257 from July 1, 2015)

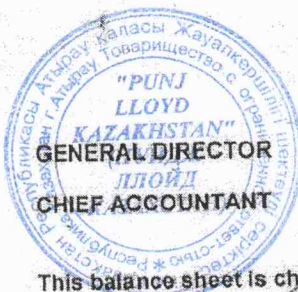


PUNJ LLOYD KAZAKHSTAN LLP

(Figure in Thousands of Kazakhstani Tenge)

Balance Sheet as at March 31, 2019

Non-Current assets :	Note	31-Mar-19	31-Mar-18
Tangible Assets			
Property, plant and equipment	3	45	-
		<u>45</u>	<u>-</u>
Current assets:			
Inventories and work in progress	4	0	263,636
Trade and other receivables	5	2,784	3,330
Bank balance and Cash	7	34	14,041
		<u>2,818</u>	<u>281,008</u>
Current liabilities:			
Trade and other payables	8	4,418,181	5,178,661
		<u>4,418,181</u>	<u>5,178,661</u>
Net current assets		(4,415,318)	(4,897,653)
Net assets		(4,415,318)	(4,897,653)
Represented By:			
Shareholders funds			
Share capital	1	1,107,977	1,107,977
Retained earnings		<u>(5,523,295)</u>	<u>(6,005,630)</u>
		<u>(4,415,318)</u>	<u>(4,897,653)</u>

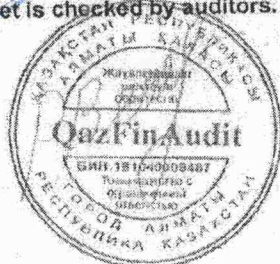


Ly. L. Shana
Chief Accountant

This balance sheet is checked by auditors. Please see auditor's report

AUDITOR

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PUNJ LLOYD KAZAKHSTAN LLP

(Figure in Thousands of Kazakhstani Tenge)

Income Statement for the period ended March 31, 2019

	Note	31-Mar-19	31-March-18
General and administrative expenses		(121,959)	(1,181,497)
Other operating income		668,349	677,124
Foreign exchange loss/ (gain), net		(64,055)	(67,794)
Operating profit / Profit After Tax		482,335	(572,168)



Handwritten signature of the General Director
Handwritten signature of the Chief Accountant

AUDITOR

SEAL



The attached notes 1 to 14 form an integral part of these financial statements.

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

Statement of changes in Shareholder's Equity for the period ended March 31, 2019

	Note 1	Share capital	Reserves	Total shareholder's equity
Balance at April 01, 2018		1,107,977	(6,005,630)	(4,897,653)
Add:				
Net income for the period ended March 31, 2019			482,335	482,335
Balance at March 31, 2019		1,107,977	(5,523,295)	(4,415,318)



Handwritten signature
Accountant

AUDITOR

SEAL



The attached notes 1 to 14 form an integral part of these financial statements.

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

Notes forming part of the financial statements – March 31, 2019

1. STATUS AND ACTIVITIES

Punj Lloyd Kazakhstan LLP (the "Company") was established as a limited liability partnership under the Laws of the Republic of Kazakhstan and registered with the Ministry of Justice of the Republic of Kazakhstan on September 03, 2002. As at March 31, 2019 the Company was fully owned by Punj Lloyd Limited Registered in New Delhi ("Punj Lloyd Ltd."), a company established under the Laws of India.

Pursuant to an order dated March 08, 2019 of the National Company Law Tribunal (NCLT), Principal Bench, New Delhi, India, Corporate Insolvency Resolution Process (CIRP) has been initiated for Punj Lloyd Limited (The Holding Company) as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). An Interim Resolution Professional (IRP) has been appointed for carrying out the CIRP of Punj Lloyd Limited. Upon initiation of CIRP, the powers of the Board of Directors of Punj Lloyd Limited has been suspended and shall be exercised by the IRP.

1 (a) GOING CONCERN

On 5th March 2019, the Company participants decided to voluntarily liquidate the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

These financial statements are prepared under the assumptions that the operations are not continuing and in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), interpretations issued by IASB and applicable Commercial Laws of Republic of Kazakhstan. The significant accounting policies adopted are as follows:

b. Property, plant and equipment

Property, plant and equipment are stated at realizable value

Financial assets

The financial assets consist of cash, trade and other receivables. Cash consists of cash on hand and cash held on bank current accounts and on short-term deposits.

c. Cash and cash equivalents

For the purpose of the preparation of the statement of cash flows, cash and cash equivalents include cash and bank balances (including fixed deposits).

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

Notes forming part of the financial statements – March 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation is consistently provided on the straight-line basis so as to write off the cost of the property, plant and equipment over their expected useful lives. The depreciation has been provided as per the following rates:

Depreciation Rates

Furniture and Fixtures	25%
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e. Impairments

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether the assets has been impaired during the year. Where an asset has been impaired, the recoverable amount of the asset is determined. Where the carrying amount exceeds the recoverable amount, the asset is written down to its recoverable amount. The resultant impairment loss is recognized as an expense in the income statement.

f. Foreign currency transactions

Foreign currency transactions are recorded in Kazakhstan Tenge at the rates of exchange on the date of transaction. Monetary assets and liabilities in foreign currencies, if any, are translated to Kazakhstan Tenge at rates of exchange on the balance sheet date. All gains or losses on exchange are taken to the income statement.

g. Accounts receivable

Accounts receivable are stated at realizable value

h. Accounts payables and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

Notes forming part of the financial statements – March 31,2019

3. Property, Plant and Equipment

	Furniture and fixture	Total
<u>COST</u>		
At Apr 01, 2018	0	0
Additions during the year	58	58
Disposals / Transfers during the year		
At March 31,2019	58	58
<u>DEPRECIATION</u>		
At Apr 01, 2018		
Charge for the year	(13)	(13)
Disposals / Transfers during the year		
At March 31,2019	(13)	(13)
<u>NET realizable value</u>		
At Apr 01, 2019		
At March 31,2019	45	45

4. Inventories and work in progress

	<u>31-Mar-19</u>	<u>31-March-18</u>
Inventories	0	263,636
	0	263,636

PUNJ LLOYD KAZAKHSTAN LLP*(Figures in Thousands of Kazakhstani Tenge)***Notes forming part of the financial statements – March 31, 2019****5. Trade and Other receivables**

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Other receivables	2,784	3,250
	<u>2,784</u>	<u>3,330</u>

6. Related Party transactions

The Company, in the ordinary course of business, enters into trading and financial transactions with parties, which fall within the definition of "related party" as defined in International Accounting Standard 24. These related parties are under common control. The Management believes that the terms of such transactions are not materially different from those that could have been obtained from unrelated parties. The amounts due from / to related parties are unsecured, interest free and are repayable on demand.

The amount due to related parties included in Trade and Other Payables

7. Bank Balances and Cash

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Bank Balances		
KZT	33	12,831
Cash on hand	1	1,210
	<u>34</u>	<u>14,041</u>

8. Current Liabilities

	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Trade payables	4,412,966	5,172,686
Accruals and provisions	514	377
Other Payables	4,701	5,598
	<u>4,418,181</u>	<u>5,178,661</u>

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

Notes forming part of the financial statements – March 31, 2019

9. Financial instruments

Fair Value

The Management believes that the fair values of financial assets and liabilities are not significantly different from their carrying amounts at balance sheet date.

Interest rate risk

The company is exposed to interest rate risk from its interest earning financial assets and interest bearing liabilities. The effective interest rates on financial assets and liabilities are at commercial rates negotiated from time to time.

Foreign Exchange rate risk

The Company is exposed to foreign exchange rate risk as the US Dollar is not constant against the Kazakh Tenge. The rate of US \$ 1 as on March 31, 2019 was Kazakhstani Tenge 380.04 as against 319.02 on March 31, 2018

PUNJ LLOYD KAZAKHSTAN LLP

(Figures in Thousands of Kazakhstani Tenge)

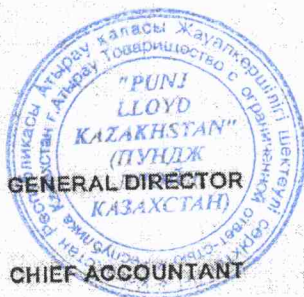
Notes forming part of the financial statements – March 31, 2019

10. Contingent liabilities and other commitments

At the balance-sheet date, the company is not having is not having any contingent liabilities and other commitments

11. Comparative figures

Previous year figures have been regrouped whenever necessary to confirm to the current year's presentation.



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