Kothari
auditors & accountants

Al Rawasi Rock & Aggregate LLC

Post Box 2313
Fujairah (U.A.E.)

Financial statements
& Auditor's report: 2019-20

Kothari
auditors & accountants

Al Rawasi Rock & Aggregate LLC
Fujairah (U.A.E.)

Financial statements: 2019-20
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RRA
AL-RAWASI ROCK & AGGREGATE L.L.C
P.O. Box : 2313, Fujairah, United Arab Emirates
شركة الرواسي للأحجار (ذ.م.م.)
ص.ب : ٢٣١٣، الفجيرة، الإمارات العربية المتحدة

Directors' report

The directors of the company have pleasure in submitting this report along with the financial statements of Al Rawasi Rock & Aggregate LLC for the year ended 31st March 2020.

Legal status & shareholders:
Al Rawasi Rock & Aggregate LLC is a limited liability company registered with the Fujairah Municipality in the emirate of Fujairah (U.A.E.) under industrial license no. 80096 & federal registry no. 10028545.

The shareholders of the company and their share in capital as at reporting date is as under:

	Share capital		
Name & nationality	No. of shares	%age	Value (AED)
M/s. Fujairah International Trading Co. L.L.C, Fujairah (U.A.E.)	5,100	51.00%	5,100,000/-
M/s. ASI Global Ltd., Port Louis (Mauritius)	4,800	48.00%	4,800,000/-
M/s. ASI Industries Limited, India	100	01.00%	100,000/-
	10,000	100.00%	10,000,000/-

However investment in the company has been contributed by the shareholders as stated below:

	Share capital		
Name & nationality	No. of shares	%age	Value (AED)
M/s. ASI Global Ltd., Port Louis (Mauritius)	9,900	99.00%	9,900,000/-
M/s. ASI Industries Limited, India	100	01.00%	100,000/-
	10,000	100.00%	10,000,000/-

Operations of the company:
The company is licensed to carry on the activity of sand and pebble mines operation – crushers, wholesale of building sand, pebbles, and stones trading & exporting. During the year under review it was principally engaged in the same activities.

The financial highlights of the company are as below:

	Amount in U.A.E. Dirhams (AED)	
	2019-20	**2018-19**
Revenue & other income	52,876,801/-	44,128,731/-
Gross profit	3,452,902/-	4,498,341/-
Net profit	17,677,190/-	1,247,887/-
Total liabilities	38,267,540/-	62,870,173/-
Equity & shareholders' funds	33,175,742/-	15,498,552/-

The COVID-19 outbreak & resultant disruptions to economic activities may have impact on the company's operations & financial performance. Management is in the process of carrying out detailed assessment that this event would have and pending this assessment, it would not be able to quantify the impact, this event may have on the company's operations, financial performance, liquidity, solvency as well as going concern assumption. Management of the company, based on its preliminary assessment & review, assures that it would be able to continue its operations in the foreseeable future and shareholders / parent company would provide necessary financial support, as and when required. Hence these financial statements are prepared on a going concern assumption.

Tel.: +971-7-2448225 Fax: +971-7-2448237 info@al-rawasi.ae هاتف : ٢٤٤٨٢٢٥-٧-٠٩٧١ فاكس : ٢٤٤٨٢٣٧-٧-٠٩٧١

Results & dividend:
Net profit for the year amounted to AED 17,677,190/- (previous year earned net profit of AED 1,247,887/-).

The company is required under the provisions of U.A.E. Federal Law no. 2 of 2015 on Commercial Companies to appropriate 10% of net profit to statutory reserve, every year, until the balance in reserve account reaches 50% of paid-up share capital.

The company has appropriated AED 1,767,719/- (previous year AED 124,789/-) to statutory reserve. Balance net profit & opening balance of retained earnings is proposed to be carried forward.

Management's responsibilities & acknowledgement:
We confirm that management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), U.A.E. Federal Law no. 2 of 2015 on Commercial Companies and provisions of the memorandum of association of the company.

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.

The company's management further states that there are no material uncertainties which would make the going concern assumption inappropriate.

Events occurring after the reporting date:
There were no important events occurring after the reporting date that would materially affect the working or the financial statements of the company.

Auditors:
The company's auditors, M/s. Kothari Auditors & Accountants, Sharjah (U.A.E.) are retiring at the end of the annual general meeting of the shareholders and being eligible have expressed their willingness to be re-appointed. A resolution to re-appoint them for the year 2020-21 and to fix their remuneration would be put up before the shareholders at the annual general meeting.

For Al Rawasi Rock & Aggregate LLC

Tushya Jatia   Deepak Nemnath Jatia
Directors

شركة الرواسي للأحجار (ذ.م.م)
ص.ب: ٢٣١٣، الفجيرة - إ.ع.م
AlRawasi Rock & Aggregate Co. L.L.C.
P.O. Box: 2313, Fujairah - U.A.E.

June 25, 2020
Fujairah, United Arab Emirates

Independent auditor's report

To the shareholders of
Al Rawasi Rock & Aggregate LLC
Fujairah (U.A.E.)

Opinion:
We have audited the financial statements of Al Rawasi Rock & Aggregate LLC ('the company'), which comprise the statement of financial position as at 31st March 2020, the statement of comprehensive income, statement of changes in equity & shareholders' funds and statement of cash flows for the year then ended, and notes & schedule 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 at 31st March 2020, of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) applied on consistent basis.

Basis for opinion:
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Fujairah (U.A.E.) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter:
Without qualifying our opinion we draw your attention to the following:
- Accounts receivables of AED 2,996,767/- are outstanding for more than one year. However management has represented that same are recoverable & that reserve for impairment of accounts receivables of AED 300,000/- is sufficient to cover doubtful debts, if any.

Other matters:
- The company is licensed to carry on the activity of sand and pebble mines operation – crushers, wholesale of building sand, pebbles, and stones trading & exporting. It was principally engaged in the same activities and has also earned commission income as a one off transaction during the year under review. Same has been recognized based on management representation and confirmations received.
- VAT payable is based on computation of VAT returns as prepared by the management. We have not carried out review of VAT compliances and verification of VAT computations as well as returns and hence we do not express any opinion on the accuracy of VAT returns as well as compliances.
- The COVID-19 outbreak has caused disruptions throughout the world impacting the economic activities with forecast of economic downturns in several parts of the world. Management of the company has, based on its preliminary assessment & review, assured that the company would be able to continue its operations in the foreseeable future and financial support, if any, would be provided as and when required. Due to uncertainty surrounding the length & extent of impact as well as pending detailed assessment by the management, we are unable to review the impact of this event on the company's liquidity, solvency, as well as going concern, if any, and hence unable to express an opinion on impact that COVID-19 crisis may have on the company.

Responsibilities of management and those charged with governance for the financial statements:
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting (IFRS), UAE Federal Law no. 2 of 2015 on Commercial Companies and provisions of the memorandum of association of the company and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report (continued)

To the shareholders of
Al Rawasi Rock & Aggregate LLC
Fujairah (U.A.E.)

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

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.

A further description of the auditor's responsibilities for the audit of the financial statements can be found at Kothari Auditors & Accountants website page link at http://www.kothariauditors.com/standards-commercial-company-laws-dubai.html. This description forms part of our independent auditor's report.

Report on other legal and regulatory requirements:
Further, as required by the UAE Federal Law no. 2 of 2015 on Commercial Companies, we report that:

(i) we have obtained all the information we considered necessary for the purpose of our audit;
(ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law no. 2 of 2015 on Commercial Companies and the memorandum of association of the company;
(iii) the company has maintained proper books of account and the financial statements are in agreement therewith;
(iv) the financial information included in the Directors' report is consistent with the books of accounts of the company;
(v) the company has not purchased nor invested in any shares during the financial year ended 31st March 2020;
(vi) note 4.1 to the financial statements discloses material related party transactions, and the terms under which they were conducted;
(vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the company has contravened, during the financial year ended 31st March 2020, any of the applicable provisions of the UAE Federal Law no. 2 of 2015 on Commercial Companies and of its memorandum of association which would materially affect its activities or its financial position as at 31st March 2020.

Kothari Vipul R.
Ministry of Economy Registration No. 159
Kothari Auditors & Accountants

June 25, 2020
Sharjah, United Arab Emirates

Kothari Auditors & Accountants

Ref: S/RP - 3099/2020

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Statement of financial position as at 31st March 2020

Particulars	Note no.	Amount in U.A.E. Dirhams (AED) 31.03.2020	31.03.2019
Assets:			
Current assets			
Cash & bank balances	5	2,176,874	1,467,386
Deposits, prepayments & advances	6	767,962	696,133
Accounts receivables	7	17,488,274	21,004,360
Inventories	8	10,222,828	9,795,029
		30,655,938	32,962,908
Non-current assets			
Property, plant & equipment	Sch-1	40,787,344	45,405,817
		40,787,344	45,405,817
Total assets employed		**71,443,282**	**78,368,725**
Liabilities, equity & shareholders' funds:			
Current liabilities			
Loan from banks & financial institutions	9	6,961,195	8,520,690
Accounts payable	10	1,815,432	3,238,706
Amount due to related party	11	0	5,677,160
Provisions, accruals & other liabilities	12	15,689,046	14,924,427
		24,465,673	32,360,983
Non-current liabilities			
Loan from banks & financial institutions	9	632,734	2,440,658
Amount due to related party	13	5,913,511	20,889,158
Loans & advances from others	14	6,785,226	6,785,226
Employee end of service benefits	15	470,396	394,148
		13,801,867	30,509,190
Total liabilities		38,267,540	62,870,173
Equity & shareholders' funds			
Share capital	16	10,000,000	10,000,000
Reserves & surplus	17	23,175,742	5,498,552
Equity & shareholders' funds		33,175,742	15,498,552
Total liabilities, equity & shareholders' funds		**71,443,282**	**78,368,725**

The attached note nos. 1 to 25 & schedule no. 1 form an integral part of these financial statements.

Auditor's report is on page nos. 3 & 4. The board of directors have approved and authorised the directors for the issuance of these financial statements on June 25, 2020.

For Al Rawasi Rock & Aggregate LLC

Tushya Jatia   Deepak Nemnath Jatia

Directors

شركة الرواسي للأحجار (ذ.م.م)
ص.ب: ٢٣١٣، الفجيرة - إ.ع.م
AlRawasi Rock & Aggregate Co. L.L.C.
P.O. Box: 2313, Fujairah - U.A.E.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Statement of comprehensive income for the year ended 31st March 2020

Particulars	Note no.	Amount in U.A.E. Dirhams (AED) 01.04.2019 to 31.03.2020	01.04.2018 to 31.03.2019
Revenue		33,140,248	41,430,533
Direct costs	18	(29,687,346)	(36,932,192)
Gross profit		3,452,902	4,498,341
Other income	19	19,736,553	2,698,198
Selling & distribution costs	20	(1,914,215)	(689,792)
Administrative costs	21	(2,877,673)	(3,592,911)
Finance costs	22	(720,377)	(1,660,034)
Other expenses	23	0	(5,915)
Net profit		**17,677,190**	**1,247,887**

The attached note nos. 1 to 25 & schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 & 4. The board of directors have approved and authorised the directors for the issuance of these financial statements on June 25, 2020.

For Al Rawasi Rock & Aggregate LLC

Tushya Jatia Deepak Nemnath Jatia
Directors

شركة الرواسي للأحجار (ذ.م.م)
ص.ب: ٢٣١٣، الفجيرة - إ.ع.م
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P.O. Box: 2313, Fujairah - U.A.E.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Statement of changes in equity & shareholders' funds for the year ended 31st March 2020

Amount in U.A.E. Dirhams (AED)

Particulars	Share capital	Statutory reserve	General reserve	Retained earnings	Total
As at 31.03.2018	10,000,000	630,984	1,277,613	2,342,068	14,250,665
Net profit	0	0	0	1,247,887	1,247,887
Transfers	0	124,789	0	(124,789)	0
Other net movements	0	0	0	0	0
As at 31.03.2019	**10,000,000**	**755,773**	**1,277,613**	**3,465,166**	**15,498,552**
As at 31.03.2019	10,000,000	755,773	1,277,613	3,465,166	15,498,552
Net profit	0	0	0	17,677,190	17,677,190
Transfers	0	1,767,719	0	(1,767,719)	0
Other net movements	0	0	0	0	0
As at 31.03.2020	**10,000,000**	**2,523,492**	**1,277,613**	**19,374,637**	**33,175,742**

The attached note nos. 1 to 25 & schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 & 4.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Statement of cash flows for the year ended 31st March 2020

Particulars	Note no.	Amount in U.A.E. Dirhams (AED) 01.04.2019 to 31.03.2020	01.04.2018 to 31.03.2019
Cash flow from operating activities:			
Net profit		17,677,190	1,247,887
Adjustments for:			
Depreciation on property, plant & equipment		5,383,867	5,381,144
Impairment of accounts receivables		300,000	0
Finance costs		720,377	1,660,034
Loss on disposal of property, plant & equipment		0	5,915
Employee end of service benefits provided		128,770	123,202
Cash generated from operations		24,210,204	8,418,182
Net changes in operating assets & liabilities:			
(Increase)decrease in deposits, prepayments & advances		(71,829)	251,689
Decrease(increase) in accounts receivables		3,216,086	(4,807,110)
(Increase) in inventories		(427,799)	(1,444,691)
(Decrease) in accounts payable		(1,423,274)	(263,257)
Increase in provisions, accruals & other liabilities		764,619	5,495,611
Employee end of service benefits (paid)		(52,522)	(48,866)
Net cash generated from operations		**26,215,485**	**7,601,558**
Cash flow from investing activities:			
(Addition) to property, plant & equipment		(765,394)	(1,213,659)
Sale of property, plant & equipment		0	(206)
Net cash (used in) investing		**(765,394)**	**(1,213,865)**
Cash flow from financing activities:			
(Decrease) in loan from banks & financial institutions		(3,367,419)	(4,478,467)
(Decrease)increase in amount due to related party		(20,652,807)	10,568
(Decrease) in loans & advances from others		0	(312,872)
(Outflow) of finance costs		(720,377)	(1,660,034)
Net cash (used in) financing		**(24,740,603)**	**(6,440,805)**
Surplus/(deficit) for the year		709,488	(53,112)
Cash & cash equivalents at beginning of year		1,467,386	1,520,498
Cash & cash equivalents at end of year	5	2,176,874	1,467,386

The attached note nos. 1 to 25 & schedule no. 1 form an integral part of these financial statements.
Auditor's report is on page nos. 3 & 4.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Notes to the financial statements for the year ended 31st March 2020

1. **Status and activity:**

1.1 Al Rawasi Rock & Aggregate LLC is a limited liability company registered with the Fujairah Municipality in the emirate of Fujairah (U.A.E.) under industrial license no. 80096 & federal registry no. 10028545.

1.2 The shareholders of the company and their share in capital as at reporting date is as under:

	Share capital		
Name & nationality	No. of shares	%age	Value (AED)
M/s. Fujairah International Trading Co. L.L.C, Fujairah (U.A.E.)	5,100	51.00%	5,100,000/-
M/s. ASI Global Ltd., Port Louis (Mauritius)	4,800	48.00%	4,800,00/-
M/s. ASI Industries Limited, India	100	01.00%	100,000/-
	10,000	100.00%	10,000,000/-

However investment in the company has been contributed by the shareholders as stated below:

	Share capital		
Name & nationality	No. of shares	%age	Value (AED)
M/s. ASI Global Ltd., Port Louis (Mauritius)	9,900	99.00%	9,900,00/-
M/s. ASI Industries Limited, India	100	01.00%	100,000/-
	10,000	100.00%	10,000,000/-

1.3 The principal place of business of the company and its administration office is at Al Tawain, Habhab, Fujairah (U.A.E.) and registered address is Post Box 2313, Fujairah (U.A.E.).

1.4 The company is licensed to carry on the activity of sand and pebble mines operation - crushers, wholesale of building sand, pebbles, and stones trading & exporting. During the year under review it was principally engaged in the same activities.

2. **Basis of preparation:**

2.1 **Statement of compliance:**

These financial statements have been prepared in accordance with International Financial Reporting Standards & Interpretations issued by International Accounting Standards Board (IASB), International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC).

2.2. **Application of new and revised International Financial Reporting Standards (IFRSs):**

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1st January 2019, have been adopted in these financial statements:

- IFRS 15: Revenue from contract with customers
- IFRS 9: Financial Instruments
- IFRS 16: Leases
- IFRIC 23: Uncertainty over income tax treatments

Al Rawasi Rock & Aggregate LLC
Fujairah (U.A.E.)
Notes to the financial statements for the year ended 31st March 2020

New standards or amendments	Effective for annual periods beginning on or after
• IFRS 16 Leases IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the statement of financial position. No significant changes have been included for lessors.	1st January 2019
• IFRIC 23 Uncertainty over Income Tax treatments The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers: • whether tax treatments should be considered collectively; assumptions for taxation authorities' examinations; • the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and • the effect of changes in facts and circumstances.	1st January 2019
• Amendments to IFRS 9 Under IFRS 9 (as issued in 2014), a prepayment option can be measured at amortised cost or FVOCI in a financial asset if the prepayment amount substantially represents unpaid amounts of principal and interest, which may include 'reasonable additional compensation' for early termination of the contract and if they meet the other relevant requirements of IFRS 9.	1st January 2019

2.3 Relevant new and amended standard in issue but not yet effective for the year ended 31st March 2020

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after 1st January 2019 and have not been early applied in preparing these financial statements.

None of those are expected to have a significant effect on the financial statements of the company.

Standard/Interpretation		Effective date
IFRS 17	Insurance contracts	1st January 2021

2.4 Basis of measurement:

These financial statements have been prepared under going concern assumption and historical cost convention except in respect of those financial instruments, which are presented at their fair values and properly disclosed elsewhere in the report.

The COVID-19 outbreak & resultant disruptions to economic activities may have impact on the company's operations & financial performance.

Al Rawasi Rock & Aggregate LLC
Fujairah (U.A.E.)
Notes to the financial statements for the year ended 31st March 2020

Management is in the process of carrying out detailed assessment that this event would have and pending this assessment, it would not be able to quantify the impact, this event may have on the company's operations, financial performance, liquidity, solvency as well as going concern assumption. Management of the company, based on its preliminary assessment & review, assures that it would be able to continue its operations in the foreseeable future and shareholders / parent company would provide necessary financial support, as and when required. Hence these financial statements are prepared on a going concern assumption

2.5 **Basis of accounting & coverage:**
The company follows the accrual basis of accounting except for statement of cash flows which is presented on cash basis. Under accrual basis of accounting, transactions & events are recognised as and when they occur and are recorded in the financial statements for the period to which they relate to.

The financial statements enclosed cover the period from 1st April 2019 to 31st March 2020. Previous year figures are for the period 1st April 2018 to 31st March 2019 and have been regrouped where found necessary.

2.6 **Functional & presentation currency:**
The financial statements are presented in United Arab Emirates Dirham (AED). The company's functional currencies are United Arab Emirates Dirham (AED) & United States Dollar (USD). All financial information presented in AED has been rounded off to the nearest U.A.E. Dirham.

2.7 **Use of estimates & judgments:**
The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income & expenses.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected & same are mentioned under respective accounting policy note.

The following accounting estimates and management judgments have been considered, which are material in nature, in preparation of financial statements.

- **Useful lives of property, plant & equipment:**
  Company's management estimates the useful life of property, plant & equipment & residual value for calculating depreciation. It reviews the estimated life & residual value on annual basis & future depreciation expense would be adjusted where the management believes that useful life differs from the previous estimates.

- **Impairment of advance to suppliers:**
  Advances to suppliers are advances to be adjusted against future purchases or works to be undertaken in future. Impairment of advances to suppliers is created if in aggregate or individually balance is remaining outstanding without any adjustments or purchases being undertaken for significant period of time.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Notes to the financial statements for the year ended 31st March 2020

- **Impairment of accounts receivables:**
  Accounts receivables are subjected to recoverability test on a periodical basis when collection of full amount is no longer probable. Accounts receivable balances which are individually significant, are verified for ageing, subsequent receipts & balance confirmations. Accounts receivable balances which are individually not material, are assessed collectively & estimated reserve for impairment of accounts receivables is created if same is outstanding for beyond normal credit terms & doubtful.

  Management estimates that reserve for impairment created against accounts receivables are sufficient to cover for doubtful losses if any.

- **Provision for expected credit losses of trade receivables:**
  For trade receivables that do not contain a significant financing component, the loss allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime expected credit loss (herein after 'ECL'). As a practical expedient, a provision matrix is used to estimate ECL. The company has trade receivables under the impairment scope of IFRS 9, as there is no significant financing component, the company's accounting policy choice is the simplified approach.

  The company uses the unadjusted (without taking into consideration the forward-looking information) historical information as it captures a specific economic cycle and that cycle represents the current conditions and forecast of future economic conditions. In case where there is an indication that a macroeconomic event will have a direct unfavorable or favorable impact on the credit risk assessment, the company adjusts the loss rate during the year.

- **Impairment of inventories:**
  Inventories are subjected to ageing test on a periodical basis by management on damaged, obsolete and slow moving inventories. These reviews require judgments and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

3 Significant accounting policies:

3.1 Changes in significant accounting policies:

The company has applied IFRS 9 and IFRS 15 from 1st January 2019.

Due to the cumulative effect method chosen by the company in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

3.1.1 IFRS 9 Financial Instruments:

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

Impairment of financial assets:

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

There was no material impact on the company's financial statements for the year ended 31st March 2020.

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Notes to the financial statements for the year ended 31st March 2020

3.1.2 IFRS 15 Revenue from contract with customers:

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to the customer. Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

The company has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1st April 2018).

There was no material impact on the company's financial statements for the year ended 31st March 2020.

3.2 Summary of significant accounting policies:

The following accounting policies have been consistently applied by the management in preparation of the financial statements except where stated here under:

3.2.1 Inventories:

Inventories are carried at lower of cost and net realizable value (estimated selling price less cost to complete and selling expenses). Stores, consumables & other materials cost includes aggregate of purchase price, including applicable cost to bring the inventory to the present condition, valued at 'first-in-first-out' method. Work in process & Finished goods include cost of direct material, direct labour, packaging costs, other direct costs and allocation of production related overheads.

Any excess of carrying amount, over the net realizable value is charged immediately as impairment loss through statement of comprehensive income. Inventory items, which are slow moving or obsolete are assessed and reserve for impairment of inventories is created based on their ageing and saleability.

3.2.3 Property, plant & equipment:

Property, plant & equipment are carried at their cost of acquisition including any incidental expenses related to acquisition or installation, less accumulated depreciation and accumulated impairment loss. Depreciation has been provided on straight line method over the estimated useful lives, as determined by the management.

Property, plant & equipment are, at the reporting date, subject to impairment. Where any indication of impairment exists, the carrying amount is written down to its recoverable amount.

The management's estimate of useful life of various assets is as follows:

Caravans	10 years
Crushers	1-20 years
Heavy and mobile equipments	1-10 years
Quarry development	5-10 years
Equipment and supportings	1-12 years
Furniture and office equipments	1-5 years
Motor vehicles	1-8 years

Gains and losses on disposals are determined by comparing proceeds with the asset's carrying amount. These are recognised under 'other income or expense' in the statement of comprehensive income.

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognised in these financial statements. Management assesses the impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Factors that are considered important which could trigger an impairment review include the following:
- significant changes in the technology and regulatory environments.
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected.

3.2.4 Financial instruments:

The company recognizes a financial instrument (being a financial asset or financial liability) only when the company becomes a part of the contractual provisions of the instrument. Accounting policy relevant to each type of financial instrument is as follows:

- **Cash & cash equivalents:**
  Cash & cash equivalents comprise cash on hand & balance with bank in current accounts.

- **Accounts receivables:**
  Accounts receivables are amounts due from customers towards sale of goods in the ordinary course of business. Accounts receivables are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less reserve for impairment of accounts receivables. A reserve for impairment of accounts receivables is recognised when it is probable that the company will not be able to collect all amounts due according to original terms of the accounts receivables.

- **Accounts payable:**
  Accounts payable represent obligations towards purchase of goods in the ordinary course of business. Same is free of interest & payable at the end of credit period granted by the suppliers. Accounts payables are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

- **Other financial assets:**
  Other financial assets are recognised initially at transaction value and subsequently measured at amortised cost using the effective interest method less impairment. However, all other financial assets have a value on realization in the ordinary course of the company's business, which is at least equal to the amount at which they are stated in the statement of financial position.

- **Other financial liabilities:**
  Other financial liabilities, including borrowings, are initially measured at transaction value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

A financial asset (or where applicable a part of a financial asset or a part of group of similar financial assets) is de-recognised either when:
- the rights to receive cash flows from the asset have expired or
- the company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or

- the company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the company's continuing involvement in the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and the company intends to settle on a net basis.

3.2.5 Impairment of non-financial assets:

At each reporting date, the company reviews the carrying amounts of its non-financial 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 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 as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3.2.6 Impairment of financial assets:

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial assets or the group of financial assets that can be reliably estimated.

If such evidence exists, any impairment loss is recognised in the statement of comprehensive income. Impairment is determined as follows:

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

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Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the financial asset no longer exist or have decreased and the decrease can be related objectively to an event occurring after the impairment was recognised.

3.2.7 Employee benefits:

Employee benefits have been provided for in accordance with the contractual terms with the employees, but is however subject to minimum of U.A.E. Labour Law requirements. The accrual relating to annual leave and leave passage is disclosed as a current liability, while the provision relating to end of service benefits is disclosed as a non-current liability.

3.2.8 Provisions & contingencies:

Provisions are recognised when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits would be required to settle these obligations and a reliable estimate of the same can be made.

Contingent liabilities are not recognized but are disclosed in the notes to financial statements. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When likelihood of outflow is remote, no provision or disclosure is made.

3.2.9. Value added tax:

As per the Federal Decree-Law No. (08) of 2017, effective from January 1, 2018, Value Added Tax (VAT), will be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the company. The company is required to file its VAT returns and compute the payable/receivable tax (which is output tax less input tax/input tax) for the allotted tax period(s) and deposit/claim refund within the prescribed due dates of filing VAT return. Net position of Value Added Tax as on reporting date is disclosed under Other Current Liabilities.

3.2.10 Statutory reserve:

The company is required under the provisions of U.A.E. Federal Law no. 2 of 2015 on Commercial Companies to appropriate 10% of net profit to statutory reserve, every year, until the balance in reserve account reaches 50% of paid-up share capital.

The company has appropriated AED 1,767,719/- (previous year AED 124,789/-) to statutory reserve. Statutory reserve is not a free reserve & is not available for distributions.

3.2.11 General reserve:

General reserve represents amount set aside by the company out of net profits. This being a free reserve is to be utilized at the discretion of the management.

3.2.12 Revenue recognition:

Revenue is recognized when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at fair value of consideration received or receivable, excluding discounts, rebates and duties. Revenue includes revenue from sale of goods and is recognized when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured.

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The company has also earned commission income as a one off transaction during the year under review. Same has been recognized based on management representation and confirmations received. Other income is recognised as and when due or received whichever is earlier.

Interest on loan from others & supplier balances written back represent interest and supplier balances which are no longer payable. Same are reversed and credit given to other income.

3.2.13 Expenditure:

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are presented in the statement of comprehensive income, classified according to the function of expense.

3.2.14 Foreign currency transactions:

a. Transactions in foreign currency, if any, are converted into functional currency at prevailing exchange rate on the date such transactions are entered into.

b. Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies which are stated at historical cost or fair value, are translated into functional currency at the exchange rates prevailing on the date of such transaction or the date of determination of fair value respectively.

c. Resultant loss or gain has been recognized in the statement of comprehensive income, in the year in which such assets are realized or liabilities are discharged.

4. Other significant disclosures:

4.1 Related party transactions:

The company enters into transactions with other company/person that fall within the definition of a related party as per the International Financial Reporting Standards (IFRS).

The terms of trade with such related parties are based on commercial terms & conditions agreed upon with them by the management.

Related parties with whom the company had entered into transactions during the year under review comprise of the shareholder, parent company, ultimate parent company & directors as stated hereunder:

Name of related party	Control	Relation
M/s. Fujairah International Trading Co. L.L.C, Fujairah (U.A.E.)	-	Shareholder
M/s. ASI Global Ltd., Port Louis (Mauritius)	-	Parent company
M/s. ASI Industries Limited, India	Common control	Ultimate parent company
Mr. Tushya Jatia	Director	Key management personnel
Mr. Deepak Nemnath Jatia	Director	Key management personnel

During the year under review, following transactions were entered into with related parties:

Amount in U.A.E. Dirhams (AED)

Nature of transactions	2019-20	2018-19
Other transactions:		
Interest on amount due to parent company	69,678/-	738,156/-

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Amount due to related party:

Amount due to parent company carries interest at the rate of 5.16% p.a./LIBOR + 0.50% p.a. (previous year carried interest @ 5.16% p.a./LIBOR + 0.50% p.a.).

4.2 Financial, capital risk management & fair value information:

4.2.1 Credit, liquidity & market rate risk:

Credit risk:

Credit risk is the risk of financial loss to the company if a customer or counter-party to a financial instrument fails to meet its contractual obligations.

The company's cash is placed with banks of repute.

The exposure to credit risk on accounts receivables is monitored on an ongoing basis by the management and these are considered recoverable by the company's management. 63.10% of total accounts receivables were outstanding from 4 customers (previous year 61.75% from 5 customers) and hence the company has concentration of accounts receivables & consequent risk to that extent.

Accounts receivables of AED 2,996,767/- are outstanding for more than one year. However management has represented that same are recoverable & that reserve for impairment of accounts receivables of AED 300,000/- is sufficient to cover doubtful debts, if any.

Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as and when it falls due.

The company's assets are sufficient to cover its financial obligations. The table below summarises the maturity profile of the company's financial liabilities on contractual undiscounted payments.

Amount in U.A.E. Dirhams (AED)

Financial liabilities as on 31st March 2020	Less than 6 months	6 months to 1 year	1 year & above	Total
Loan from banks & financial institutions	6,224,618	736,577	632,734	7,593,929
Accounts payable	1,815,432	-	-	1,815,432
Amount due to related party	-	-	5,913,511	5,913,511
Provisions, accruals & other liabilities	15,386,135	302,911	-	15,689,046
Loans & advances from others	-	-	6,785,226	6,785,226
Employee end of service benefits	-	-	470,396	470,396
Total	23,426,185	1,039,488	13,801,867	38,267,540

Amount in U.A.E. Dirhams (AED)

Financial liabilities as on 31st March 2019	Less than 6 months	6 months to 1 year	1 year & above	Total
Loan from banks & financial institutions	7,163,704	1,356,986	2,440,658	10,961,348
Accounts payable	3,238,706	-	-	3,238,706
Amount due to related party	3,868,628	1,808,532	20,889,158	26,566,318
Provisions, accruals & other liabilities	14,615,506	308,921	-	14,924,427
Loans & advances from others	-	-	6,785,226	6,785,226
Employee end of service benefits	-	-	394,148	394,148
Total	28,886,544	3,474,439	30,509,190	62,870,173

Market risk:

Market risk is the risk that changes in market prices, such as investment prices, interest rates and currency rates will affect the company's income of the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

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- **Interest rate risk:**
  Interest rate risk is the risk of variability in profit due to change in interest rates on interest bearing assets and interest bearing liabilities.

  Interest on amount due to parent company was @ 5.16% p.a./LIBOR + 0.50% p.a. (previous year carried interest @ 5.16% p.a./LIBOR + 0.50% p.a.).

  Interest on loan from others carried interest @ LIBOR + 0.50% p.a. (previous year carried interest @ LIBOR + 0.50% p.a.).

  Interest on vehicle loan & term loan from ADCB is @ 5.5% to 6.75% p.a. (previous year @ 5.5% to 6.75% p.a.).

  Interest on term loan from M/s. Galadari Trucks & Heavy Equipment Company LLC is @ 3.00% p.a. (previous year 3.00% p.a.) and from ICICI bank is @ LIBOR + 3.00% p.a. (previous year @ LIBOR + 3.00% p.a.)

- **Currency risk:**
  Currency risk faced by the company is minimal as there are minimal foreign currency transactions. Most of the monetary assets and liabilities are denominated in United Arab Emirates Dirham (AED) or in United States Dollar (USD), which is pegged to AED.

Other risks:

- **Revenue risk:**
  54.00% of revenue was generated from 4 customers (previous year 43.90% from 3 customers) and hence the company has revenue risk to that extent.

- **Inventory risk:**
  Inventory risk is the risk of recoverability/saleability of inventories due to high fluctuations in prices, obsolescence and slow movement.

  The company assesses inventory items, whose prices are highly fluctuated, which are slow moving or obsolete and reserve for impairment of inventories (if required) is created based on their ageing and saleablility.

4.2.2 Capital management:
The company's policy is to maintain a strong capital base so as to maintain lender and creditor confidence and to sustain future development of the business. The company is not subject to externally imposed capital restrictions.

4.2.3 Fair value information:
Fair value represents the amount at which an asset could be exchanged or a liability settled in an arm's length transaction, between willing & knowledgeable parties. In respect of all the company's financial assets viz cash & bank balances, receivables, advances, deposits, and liabilities viz dues to banks, payables, accruals and other non current liabilities, in the opinion of the management, the book value approximates to their carrying value.

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		Amount in U.A.E. Dirhams (AED) 31.03.2020	31.03.2019
5	**Cash & bank balances/Cash & cash equivalents:**		
	Cash on hand	486,196	130,250
	Balance with banks in current accounts	1,690,678	1,337,136
		2,176,874	1,467,386
6	**Deposits, prepayments & advances:**		
	Deposits	161,047	381,357
	Prepayments	221,274	261,857
	Loans & advances to staff	18,569	23,702
	Other current assets	367,072	29,217
		767,962	696,133

Deposits include 153,000/- (previous year 357,000/-) placed with labour department against employee visa guarantees issued.

		31.03.2020	31.03.2019
7	**Accounts receivables:**		
	Trade receivables	17,788,274	21,004,360
		17,788,274	21,004,360
	Reserve for impairment of accounts receivables	(300,000)	0
		17,488,274	21,004,360
	Age-wise analysis of accounts receivables is as follows:		
	Outstanding for less than 3 months	6,861,202	9,788,161
	Outstanding for more than 3 months but less than 6 months	2,807,016	4,166,721
	Outstanding for more than 6 months but less than 12 months	5,123,289	6,801,724
	Outstanding for more than 12 months	2,996,767	247,754
		17,788,274	21,004,360
	Geographical analysis of accounts receivables is as follows:		
	Due from within U.A.E.	17,788,274	21,004,360
		17,788,274	21,004,360
	Movement in reserve for impairment of account receivables is as follows:		
	Balance at the beginning of the year	0	0
	Provided for the year	300,000	0
	Balance at the end of the year	300,000	0

The company's exposure to credit risk relating to accounts receivables is disclosed in note 4.2.1.

		31.03.2020	31.03.2019
8	**Inventories:**		
	Stores & consumables	4,473,288	3,908,281
	Work-in-progress	283,990	245
	Finished goods	5,465,550	5,886,503
		10,222,828	9,795,029

Inventories comprising of stores & consumables, work-in-progress & finished goods (blasted rock, amour rock & rocks of different sizes, specifications etc) have been verified by the management and obsolete stock, if any, has been fully provided for.

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		Amount in U.A.E. Dirhams (AED)	
		31.03.2020	31.03.2019
9	**Loan from banks & financial institutions:**		
	a. Vehicle loan		
	Opening balance	59,073	191,098
	Received during the year		0
	(Repaid) during the year	(59,073)	(132,025)
	Closing balance	0	59,073
	due within one year	0	59,073
	due after one year	0	0
		0	59,073
	b. Term loan		
	Opening balance	10,902,275	15,248,717
	Received during the year	11,927,500	7,512,918
	(Repaid) during the year	(15,235,846)	(11,859,360)
	Closing balance	7,593,929	10,902,275
	due within one year	6,961,195	8,461,617
	due after one year	632,734	2,440,658
		7,593,929	10,902,275
	Total - due within one year	6,961,195	8,520,690
	Total - due after one year	632,734	2,440,658

a. Term loan & vehicle loan from ADCB Bank is secured against lien over equipments/vehicles financed by the banks, assignment of insurance policies covering them, personal guarantees of Mr. Deepak Nemnath Jatia and Mr. Tushya Jatia, mortgage over equipment/vehicles, notarized pledge over assets, list of assets pledged to the bank duly authenticated by the customer/authorised signatory, corporate guarantees, original insurance policy over equipments/vehicles for the invoice value duly assigned in bank's favour along with valid premium receipt & security cheques.

b. Working Capital Demand Loan from ICICI bank, bill discounting & bank guarantee is secured against crushers, unconditional & irrevocable corporate guarantee from the ultimate parent company M/s. ASI Industries Limited, unconditional & irrevocable, joint & several personal guarantees of Mr. Deepak Jatia & Mr. Tushya Jatia and hypothecation over current assets, subordination of amount due to parent company (i.e. 4,971,147/-) & loan from others (i.e. 6,500,000/-) and undated cheque.

c. Term loan from M/s. Galadari Trucks & Heavy Equipment Company LLC is secured against equipment purchased utilising said loan.

10	**Accounts payable:**		
	Trade payables	1,470,189	2,904,461
	Payable to suppliers of property, plant & equipment	345,243	334,245
		1,815,432	3,238,706

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Notes to the financial statements for the year ended 31st March 2020

		Amount in U.A.E. Dirhams (AED)	
		31.03.2020	31.03.2019
11	**Amount due to related party:**		
	Due to parent company	0	5,677,160
		0	5,677,160

Amount due to parent company represented loan availed by ultimate parent company (ASI Industries Limited (India) from ICICI Bank for onward lending to the company (i.e. Al Rawasi Rock & Aggregate LLC, Fujairah (U.A.E.) and carried interest at the rate of 5.16% p.a. (previous year carried interest @ 5.16% p.a).

12	**Provisions, accruals & other liabilities:**		
	Accrued expenses	14,960,618	14,096,418
	Accrued staff salaries & benefits	549,724	622,459
	Advance from customers	69,711	84,941
	Other current liabilities	108,993	120,609
		15,689,046	14,924,427

a. Accrued expenses include 9,824,326/- payable to Fujairah Natural Resources Corporation towards royalty fee & 1,436,032/- payable to Fujairah International Trading Co. towards sponsorship fee, PRO services & related expenses.

b. Other current liabilities represents VAT payable based on computation of VAT returns as prepared by the Management and subject to assessment & confirmation by the Federal Tax Authority.

13	**Amount due to related party:**		
	Due to parent company	5,913,511	20,889,158
		5,913,511	20,889,158

a. Amount due to parent company represents loan of Nil/- (previous year 14,106,562/-) availed by ultimate parent company (ASI Industries Limited (India) from ICICI Bank for onward lending to the company (i.e. Al Rawasi Rock & Aggregate LLC, Fujairah (U.A.E.) and carried interest at the rate of 5.16% p.a. (previous year interest at the rate of 5.16% p.a.).

b. Balance loan amount of 5,913,511/- (previous year 6,782,596/-) carries interest @ LIBOR + 0.50% p.a. (previous year interest @ LIBOR + 0.50% p.a.).

14	**Loans & advances from others:**		
	Loan from others	6,785,226	6,785,226
		6,785,226	6,785,226

Loan from others does not have any fixed repayment schedule and carried interest @ LIBOR + 0.50% p.a. (previous year carried interest @ LIBOR + 0.50% p.a.).

15	**Employee end of service benefits:**		
	Balance at the beginning of the year	394,148	319,812
	Provided for the year	128,770	123,202
	(Paid) during the year	(52,522)	(48,866)
	Balance at the end of the year	470,396	394,148

Al Rawasi Rock & Aggregate LLC

Fujairah (U.A.E.)

Notes to the financial statements for the year ended 31st March 2020

		Amount in U.A.E. Dirhams (AED)	
		31.03.2020	31.03.2019
16	**Share capital:**		
	Share capital	10,000,000	10,000,000
		10,000,000	10,000,000

Share capital comprises of 10,000 fully paid equity shares of 1,000/- each (previous year 10,000 fully paid equity shares of 1,000/- each).

17	**Reserves & surplus:**		
	General reserve	1,277,613	1,277,613
	Statutory reserve	2,523,492	755,773
	Retained earnings	19,374,637	3,465,166
		23,175,742	5,498,552

		01.04.2019 to 31.03.2020	01.04.2018 to 31.03.2019
18	**Direct costs:**		
	Drilling & blasting expenses	4,393,647	5,739,779
	Labour charges & other benefits	3,085,738	3,886,308
	Royalty expenses	7,399,411	10,015,251
	Utilities charges	5,928,177	8,749,770
	Depreciation on property, plant & equipment	5,239,543	5,237,215
	Other direct expenses	3,503,622	4,426,676
	Decrease(increase) in work in progress & finished goods	137,208	(1,122,807)
		29,687,346	36,932,192

19	**Other income:**		
	Commission income	19,693,275	0
	Other miscellaneous income	43,278	1,697,588
	Supplier balance written back	0	687,738
	Interest on loan from others written back	0	312,872
		19,736,553	2,698,198

Commission income represents amount received towards introductory commission. Same has been recognized based on management representation and confirmations received.

20	**Selling & distribution costs:**		
	Freight outward	1,580,039	586,899
	Other sales & marketing expenses	34,176	102,893
	Impairment of accounts receivables	300,000	0
		1,914,215	689,792

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Notes to the financial statements for the year ended 31st March 2020

		Amount in U.A.E. Dirhams (AED) 01.04.2019 to 31.03.2020	01.04.2018 to 31.03.2019
21	**Administrative costs:**		
	Salaries & other staff related benefits	993,792	1,160,083
	Communication expenses	46,146	60,749
	Fees & charges	1,239,542	1,257,723
	Vehicle running & maintenance expenses	51,412	58,724
	Travelling & conveyance expenses	41,076	50,378
	Office & other expenses	361,381	861,325
	Depreciation on motor vehicles	144,324	143,929
		2,877,673	3,592,911
22	**Finance costs:**		
	Bank charges	221,236	155,358
	Interest on vehicle loan	808	7,281
	Interest on term loan	428,655	759,239
	Interest on amount due to parent company	69,678	738,156
		720,377	1,660,034
23	**Other expenses:**		
	Loss on disposal of property, plant & equipment	0	5,915
		0	5,915

		31.03.2020	31.03.2019
24	**Contingent liabilities:**		
	Employee visa guarantees	153,000	357,000

Except for the above & ongoing business commitments against which no loss is expected, there has been no known contingent liability or commitments as on reporting date.

25 Events occurring after the reporting date:

There were no significant events occurring after the reporting date which will have any material effect on the working or the financial statements of the company.

Kothari
auditors & accountants

Al Rawasi Rock & Aggregate LLC
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Schedule to the financial statements for the year ended 31st March 2020

Schedule 1 - Property, plant & equipment:

Amount in U.A.E. Dirhams (AED)

Particulars	Caravans	Crushers	Heavy & mobile equipments	Quarry development	Equipment & supportings	Furniture & equipment	Motor vehicles	Total
Cost:								
As at 31.03.2019	3,587,614	27,614,219	27,754,979	21,863,517	5,556,060	1,775,841	1,527,045	89,679,275
Additions	0	144,664	63,000	557,730	0	0	0	765,394
As at 31.03.2020	3,587,614	27,758,883	27,817,979	22,421,247	5,556,060	1,775,841	1,527,045	90,444,669
Accumulated depreciation:								
As at 31.03.2019	2,539,172	8,536,157	9,495,544	18,443,037	2,775,864	1,637,809	845,875	44,273,458
For the year	118,934	1,429,237	2,744,904	538,546	329,216	78,706	144,324	5,383,867
As at 31.03.2020	2,658,106	9,965,394	12,240,448	18,981,583	3,105,080	1,716,515	990,199	49,657,325
Net value - 31.03.2020	**929,508**	**17,793,489**	**15,577,531**	**3,439,664**	**2,450,980**	**59,326**	**536,846**	**40,787,344**
Net value - 31.03.2019	**1,048,442**	**19,078,062**	**18,259,435**	**3,420,480**	**2,780,196**	**138,032**	**681,170**	**45,405,817**

a. Caravans represents amount incurred towards office building & labour camp.
b. Crushers are constructed on land leased from Fujairah Municipality.
c. Crushers of gross value 21,068,234/- (previous year 21,068,234/-) are pledged to ICICI bank.
d. Heavy & mobile equipments of gross value 21,807,500/- (previous year 21,807,500/-), equipment & supportings of gross value 807,460/- (previous year 807,460/-), crushers of gross value 1,462,000/- (previous year 1,462,000/-) & vehicles of gross value 606,723/- (previous year 606,723/-) are hypothecated to ADCB bank.
e. Heavy & mobile equipments of gross value 3,840,000/- (previous year 3,840,000/-) are hypothecated to M/s. Galadari Trucks & Heavy Equipment Company LLC against finance obtained for purchase of same.