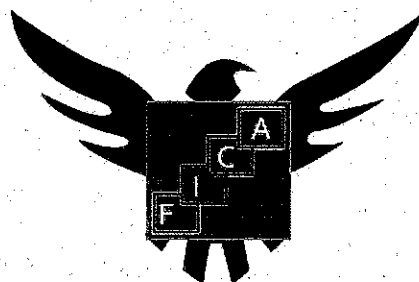


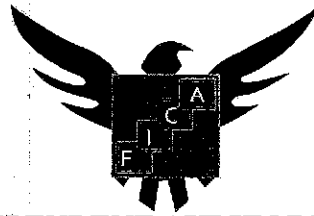
AOL (FZE)
SAIF ZONE, SHARJAH, U.A.E
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2018

<u>CONTENTS</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF INCOME	3
CASH FLOW STATEMENT	4
NOTES TO THE FINANCIAL STATEMENTS	5-19



FALCON INTERNATIONAL
CONSULTING & AUDITING

P.O.Box: 44624, Dubai, United Arab Emirates, Tel.: +971 4 3970987
Fax: +971 4 3973733, E-mail: carakesh@falconauditing.com, admin@falconauditing.com
Website: www.falconauditing.com



INDEPENDENT AUDITOR'S REPORT

To
The Shareholder
M/s. AOL (FZE)
P.O. Box 121657
SAIF Zone, Sharjah, U.A.E

We have audited the accompanying combined financial statements of M/s. AOL (FZE) Sharjah, U.A.E. & its branch M/s. AOL FRP Division, which comprise of the statement of financial position as at March 31, 2018 and the consolidated statement of comprehensive income, combined statement of changes in shareholders' equity and statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with International Financial Reporting Standards. 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 combined 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 depend on our judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

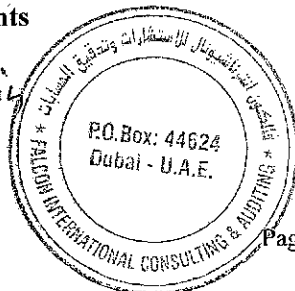
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of M/s. AOL (FZE), Sharjah, U.A.E., as of March 31, 2018 and of its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

For FALCON INTERNATIONAL CONSULTING & AUDITING
Chartered Accountants

Rakesh Jain
Managing Partner
(Rakesh Jain)
Reg. No. 606



May 10, 2018

Page 1 of 19



AOL (FZE)

Consolidated Balance Sheet as at March 31, 2018

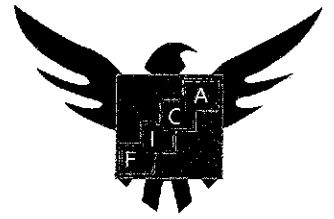
	Notes	31/Mar/18	31/Mar/17	Amount in AED 01/Apr/16
Assets				
Non-current assets				
<i>Gross Block</i>				
<i>Accumulated depreciation</i>				
Property, Plant and Equipment	4	40,295,928	15,557,053	16,296,349
Capital work-in-progress including intangible assets	4	3,680	2,811,474	332,186
Financial Assets				
Investment	5	4	4	4
Loans	6	-	-	-
Other non-current assets	7	476,811	5,469,501	1,776,950
		40,776,423	23,838,032	18,405,489
Current assets				
Inventories	8	2,514,356	1,287,055	465,874
Financial Assets				
Trade receivables	9	22,596,955	20,503,837	24,356,163
Cash and cash equivalents	10	601,017	55,176	58,298
Other Bank Balances	11	-	35,417	17,667
Loans	6	1,009,562	6,470	4,000
Other Financial Assets	12	860,572	-	-
Other current assets	7	75,388,847	76,029,389	77,069,817
		102,971,309	97,917,344	101,971,819
		143,747,732	121,755,376	120,377,308
Total Assets				
Equity and liabilities				
Equity				
Equity Share capital	13	87,900,000	87,900,000	87,900,000
Other Equity	14			
Retained earnings		(8,110,089)	(7,241,881)	(4,899,867)
		79,789,911	80,658,119	83,000,133
Non-current liabilities				
Financial Liabilities				
Borrowings	15	10,794,584	3,088,355	5,656,939
Provisions	16	237,186	101,404	753,368
		11,031,770	3,189,759	6,410,307
Current liabilities				
Financial liabilities				
Borrowings	17	36,778,640	30,369,458	25,051,885
Trade payables	18	8,375,142	4,332,515	2,709,525
Other financial liabilities	19	7,713,798	3,205,525	3,205,458
Other Current liabilities	20	58,471	-	-
		52,926,051	37,907,498	30,966,868
		143,747,732	121,755,376	120,377,308
Total Equity and liabilities				
Summary of significant Accounting policies	2.1			

The accompanying notes (1-35) are an integral part of the financial statements

Approved by the Management on May 10, 2018
For AOL (FZE)

Managing Director





AOL (FZE)

Statement of Profit and Loss for the year ended 31 March 2018

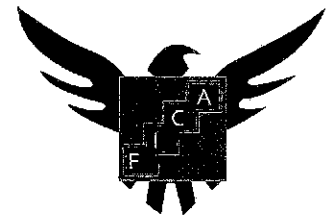
	Notes	Amount in AED	
		31/Mar/18	31/Mar/17
Income			
Revenue from operations	21	19,075,627	17,663,950
Other income	22	-	104,374
Total revenue (I)		19,075,627	17,768,324
Expenses			
Cost of raw material and components consumed	23	10,529,246	9,546,743
Purchase of traded goods	24	2,047,500	2,085,289
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	25	(1,087,192)	(405,193)
Employee benefits expense	26	1,729,459	3,458,978
Finance costs	27	1,839,192	1,353,283
Depreciation and amortization expense	28	1,225,188	1,083,856
Other expense	29	3,662,096	2,961,805
Total expense (II)		19,945,489	20,084,761
Earnings before exceptional items and tax, (I) – (II)		(869,862)	(2,316,437)
Exceptional Items	30	1,654	-
Profit for the year		(868,208)	(2,316,437)
Other comprehensive income			
i) items that will be reclassified to Profit or Loss in subsequent periods		-	-
ii) Income Tax relating to these items		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(868,208)	(2,316,437)
Summary of significant Accounting policies	2.1		
The accompanying notes (1-35) are an integral part of the financial statements			

Approved by the Management on May 10, 2018

For AOL (FZE)

Managing Director





AOL (FZE)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31, 2018

	Amount in AED	
	31-Mar-18	31-Mar-17
A. Cash flow from operating activities		
Profit before tax	(868,208)	(2,316,437)
Profit before tax	(868,208)	(2,316,437)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	1,225,188	1,083,856
(Profit)/Loss on sale of property, plant and equipment	(1,654)	-
Interest Expense	1,839,192	1,353,283
Operating profit before working capital changes	2,194,518	120,702
Movements in working capital :		
Increase in trade payables	4,042,627	1,622,990
Decrease in other payables	1,547,696	(680,801)
(Increase) in trade receivables	(2,093,118)	3,852,326
Decrease / (increase) in inventories	(1,227,301)	(821,181)
(Increase) in other receivables	3,804,985	(2,672,343)
Net cash flow from operating activities (A)	8,269,407	1,421,693
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(24,260,565)	(2,831,437)
Purchase of Investment	-	-
Proceed from sale of assets	1,105,950	7,267
Net cash flow (used in) / from investing activities (B)	(23,154,615)	(2,824,170)
C. Cash flows from financing activities		
Received long-term borrowings	10,861,058	(2,564,935)
Proceeds of Short-term borrowings	6,409,183	5,317,573
Interest Expense	(1,839,192)	(1,353,283)
Net cash flow (used in) in financing activities (C)	15,431,049	1,399,355
Net (decrease) / increase in cash and cash equivalents (A+B+C)	545,841	(3,122)
Cash and cash equivalents at the beginning of the year	55,176	58,298
Cash and cash equivalents at the end of the year	601,017	55,176
Components of cash and cash equivalents		
With banks- on current account	601,017	55,176
Total cash and cash equivalents	601,017	55,176
Summary of significant accounting policies		
The accompanying notes (1-35) are an integral part of the financial statements		

Approved by the Management on May 10, 2018

For AOL (FZE)

Managing Director





AOL (FZE)
SAIF ZONE, SHARJAH, U.A.E

Notes to the Financial Statements for the year ended March 31, 2018

1. LEGAL STATUS & BUSINESS ACTIVITIES

- a) **AOL (FZE)** (“the Establishment”) was registered with the Sharjah Airport International Free Zone, Sharjah-U.A.E (License no. 08437) as a Free Zone Establishment on August 17, 2010 and the license is valid up to August 16, 2018.
- b) **AOL FRP Division (Branch)** (“the Branch”) was registered with the Jebel Ali Free Zone Authority, Dubai, UAE (Industrial License no. 139032 & commercial License no. 139033) as a branch of AOL (FZE) on September 05, 2013 and the license is valid up to September 04, 2018.
- c) **AOL Composite Jiangsu** (“the subsidiary”) is incorporated as subsidiary in china on 18th July 2017.
- d) The Company is engaged in the activity of general trading, fiber optic cables & wires manufacturing and wires.
- e) The management and control of the Company is vested with Dr. Kailash Shanti Lal Choudhari (Indian national).
- f) The registered office address of the Company is P. O. Box. 121657, Sharjah, United Arab Emirates.

SHARE CAPITAL

Authorized, issued and paid up capital of the group is AED 87,900,000 divided into 586 shares of AED 150,000 each fully paid and held by the shareholder as follows:

Sl No.	Name of the Shareholder	Nationality	No. of Shares	Amount (AED)	%
1.	M/s. Aksh Optifibre Limited	Indian Co.	586	87,900,000	100
			<u>586</u>	<u>87,900,000</u>	<u>100</u>

2. BASIS OF PREPARATION

2.1 Statement of compliance:

These financial statements have been prepared in accordance with International Financial Accounting Standards for Small & Medium-sized Entities (IFRS for SMEs) Issued by International Accounting Standards Boards (IASB)

2.2 Basis of measurement and preparation

These financial statements have been prepared under going concern assumption and historical cost convention.

The financial statements include the financial statements of **AOL (FZE)** and its branch **AOL FRP Division** and **AOL Composite Jiangsu** its subsidiary as mentioned in Note No. 1. These financial statements have been combined on a line by line basis by adding together like items of assets, liabilities, equity, income and expenses. Intra group transactions have been eliminated.





2.3 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, the transactions and events are recognized 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 1st April 2017 to 31st March 2018. Previous year figures are for the period 1st April 2016 to 31st March 2017 and have been regrouped wherever necessary.

2.4 Functional & presentation currency:

The financial statements are presented in United Arab Emirates Dirham (AED), which is also the company's functional currency. All financial information presented in AED has been rounded off to the nearest UAE Dirham.

2.5 Use of estimates & judgments:

The preparation of financial statements in conformity with IFRS for SMEs requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and 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 the 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

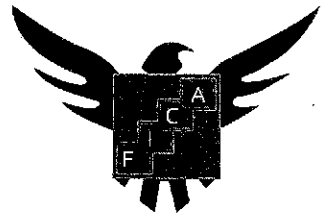
Impairment of accounts receivables:

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.

Obsolescence of inventories:

Inventories are subjected to ageing & obsolescence 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. Management estimates that inventories are fully realizable at value stated therein and reserve for obsolescence of inventories is not required against the same.





3. 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:

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost is depreciated on pro rata basis using the 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:

Building	30 Years
Office Equipments	05 Years
Plant & Machinery	15 Years
Furniture & fixtures	10 Years
Vehicles	08 Years
Computers	03 Years

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.

3.2 Investment

Investment in shares is measured at cost which represents the payment made till the balance sheet date. All gains or losses on sale of investment are recognized in the statement of income as and when they arise.

3.3 Revenue recognition

Revenue from sale of goods is recognized when all the following conditions are satisfied.

- i. The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii. The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. The amount of revenue can be measured reliably.
- iv. It is probable that the economic benefit associated with the transaction will flow to the Company; and
- v. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

3.4 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.





3.5 Staff end-of-service benefits

Employee benefits have been provided for in accordance with the contractual terms with the employees, but are however subject to minimum of UAE 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.

3.6 Provisions & contingencies

Provisions are recognized 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.

3.7 Related party transactions

The company enters into transactions with another company and person that falls within the definition of a related party as per the International Financial Reporting Standards for Small & Medium-sized Entities (IFRS for SMEs).

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

Related parties with whom the company has entered into transactions during the year under review comprise of group companies, shareholders and key management personnel as stated hereunder:

Name of the related parties	Relation
AOL Composite Jiangsu	Subsidiary Company
AOL Tech Ltd. FZE	Holding's Subsidiary
Aksh Optifiber Limited, India	Holding Company
Dr. Kailash Shantilal Choudhari	Director & Key management personnel.

Transactions which were entered into with related parties is disclosed under note 31 of the financial statement.

3.8 Foreign Currency transactions

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the balance sheet date.

Gains or losses resulting from foreign currency transactions are taken to the Comprehensive income statement.

3.9 Inventories

Inventories are carried at lower of cost and net realizable value (estimated selling price less cost to complete and selling expenses).





Raw material and packing material cost includes aggregate of purchase price, including applicable cost to bring the inventory to the present condition, valued at 'first-in-first-out' method.

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 obsolescence loss through statement of comprehensive income. Inventory items, which are perishable in nature, if any, has been fully provided for.

3.10 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 for the purpose of cash flow statement comprises of cash on hand & balance with bank in current accounts

Accounts receivables:

Accounts receivables are amounts due from customers towards sale of goods or providing of service 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 payable are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

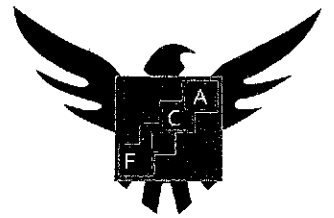
Other financial assets:

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.





3.11 Financial, capital risk management & fair value information:

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 trade receivables and amounts due from related parties are monitored on an ongoing basis by the management and these are considered recoverable by the company's management.

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 summarizes the maturity profile of the company's financial liabilities on contractual undiscounted payments:

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

As on 31st March 2018	Total
Borrowings	47,573,224
Trade payables	8,375,140
Provisions, accruals & other liabilities	8,009,455
Total	63,957,819
As on 31st March 2017	Total
Borrowings	32,952,160
Accounts payable	4,332,516
Provisions, accruals & other liabilities	3,306,929
	40,591,605

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 or 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.

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. The interest rate on the company's financial instruments is based on market rates.

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 UAE Dirhams (AED) or in United States Dollar (USD), which is pegged to AED.

3.12 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.



AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

	4. Property, Plant and Equipment						Amount in AED	
	Factory Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Data Processing System	Total	Total
Cost or valuation								
At 1 April 2016	2,981,302	14,552,983	18,469	333,149	22,969	8,119	17,916,991	
Additions	-	299,368	2,662	45,352	1,825	-	349,207	
Disposals / adjustments	-	-	-	-	(7,267)	-	(7,267)	
At 31 March 2017	2,981,302	14,852,351	21,131	378,501	17,527	8,119	18,258,931	
Additions	7,936,225	18,735,016	151,739	-	-	-	26,822,980	
Disposals / adjustments	-	(1,104,296)	-	-	-	-	(1,104,296)	
At 31 March 2018	10,917,527	32,483,071	172,870	378,501	17,527	8,119	43,977,615	
Depreciation								
At 1 April 2016	145,516	1,416,832	2,694	47,388	4,658	3,554	1,620,642	
Charge for the year	94,507	936,697	1,952	44,184	4,574	1,942	1,083,856	
Disposals / adjustments	-	-	-	-	(2,943)	323	(2,620)	
At 31 March 2017	240,023	2,353,529	4,646	91,572	6,289	5,819	2,701,878	
Charge for the year	1,16,379	1,054,967	3,452	44,955	3,464	1,970	1,225,187	
Disposals / adjustments	-	(245,378)	-	-	-	-	(245,378)	
At 31 March 2018	356,402	3,163,118	8,098	136,527	9,753	7,789	3,681,687	
Net Block value								
At 31 March 2018	10,561,125	29,319,953	164,772	241,974	7,774	330	40,295,928	
At 31 March 2017	2,741,279	12,498,822	16,485	286,929	11,238	2,300	15,557,053	
At 1st April 2016	2,835,786	13,136,151	15,775	285,761	18,311	4,565	16,296,349	
Capital Work-in-progress								
Amount in AED:								
At 31st March 2018	3,680	-	-	-	-	-	-	
At 31st March 2017	2,811,474	-	-	-	-	-	-	
At 1st April 2016	332,186	-	-	-	-	-	-	





AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

5. Investment	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Investment-Others			
1 (March 31 2017: 1, April 1, 2016: 1) equity share of Arab Emirates Dhiram (AED) 4 each fully paid-up in Eminent One Ventures Limited	4	4	4
	<u>4</u>	<u>4</u>	<u>4</u>

6. Loans	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Non-Current	-	-	-
Current			
Security deposit	167,599	6,470	4,000
Loan and advances to related parties	841,963		
	<u>1,009,562</u>	<u>6,470</u>	<u>4,000</u>

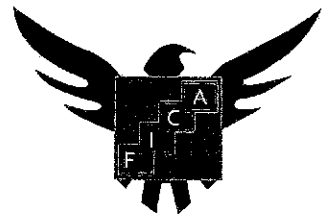
7. Other Assets	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Non-Current			
Capital advances	476,811	5,469,501	1,776,950
	<u>476,811</u>	<u>5,469,501</u>	<u>1,776,950</u>
Current			
Advances recoverable in cash or kind	75,246,315	75,930,176	77,004,158
Prepaid expenses	114,087	99,213	65,659
Balances with statutory / government authorities	28,445	-	-
Total Other Current Assets	<u>75,388,847</u>	<u>76,029,389</u>	<u>77,069,817</u>

8. Inventories	Amount in AED		
	31/Mar/18	31/Mar/17	31/Mar/16
<i>(Valued at lower of cost and net realisable value)</i>			
Finished and traded goods	1,075,239	126,098	-
Raw material	656,714	561,230	205,501
Semi finished goods	545,271	407,220	128,125
Stores, spares and others	237,132	192,507	132,248
	<u>2,514,356</u>	<u>1,287,055</u>	<u>465,874</u>

9. Trade Receivables	Amount in AED		
	31/Mar/18	31/Mar/17	31/Mar/16
Trade receivables	22,596,955	20,503,837	24,356,163
	<u>22,596,955</u>	<u>20,503,837</u>	<u>24,356,163</u>
Breakup of security details			
Unsecured, considered good	22,596,955	20,503,837	24,356,163
	<u>22,596,955</u>	<u>20,503,837</u>	<u>24,356,163</u>

There are no trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

10. Cash and Cash equivalents	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Balances with banks:			
On current accounts	601,017	55,176	58,298
	<u>601,017</u>	<u>55,176</u>	<u>58,298</u>



AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

11. Other Bank Balances	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Margin Money #	-	35,417	17,667
	-	35,417	17,667

Margin Money deposit are held as lien by banks against bill discounting

12. Other Financial Assets	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Non-Current			
Others	-	-	-

Current			
Others	860,572	-	-
Financial Guarantee Recievable	860,572	-	-

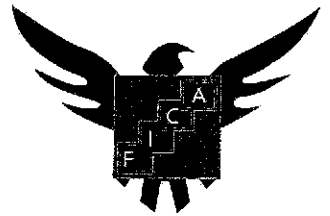
13. Share Capital	Amount in AED		
	31/Mar/18	31/Mar/17	31/Mar/16
Authorized Shares (Nos)			
586 (March 31,2017 : 586, March 31,2016 : 586) Equity Shares of AED 150,000/- each	87,900,000	87,900,000	87,900,000
Issued, subscribed and fully paid-up shares (No.)			
586 (March 31,2017 : 586, March 31,2016 : 586) Equity Shares of AED 150,000/- each	87,900,000	87,900,000	87,900,000
	87,900,000	87,900,000	87,900,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares		Amount in AED		
		31/Mar/18	31/Mar/17	01/Apr/16
At the beginning of the year	Nos.	586	586	586
Add:				
Issued during the year	Nos.	-	-	-
Outstanding at the end of the year	Nos.	586	586	586
At the beginning of the year	Amount in AED	87,900,000	87,900,000	87,900,000
Add:				
Issued during the year		-	-	-
Outstanding at the end of the year	Amount in AED	87,900,000	87,900,000	87,900,000

14. Other Equity	Rs. in Lakhs	
	31/Mar/18	31/Mar/17
Retained Earnings		
Balance as per the last financial statements	(7,241,881)	(11,718,368)
Reserve & Surplus from subsidiary company	-	6,792,924
Profit for the year	(868,208)	(2,316,437)
Total Other Equity	(8,110,089)	(7,241,881)





AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

15. Long Term Borrowings	Amount in AED		
	31/Mar/18	31/Mar/17	31/Mar/16
Non-Current			
Term Loans			
Foreign Currency Loan from Banks	10,794,584	3,046,100	5,541,699
Other Loan from Banks	-	42,255	115,240
Total Non-Current long term borrowings	10,794,584	3,088,355	5,656,939
The above amount includes			
Secured borrowings	10,794,584	3,088,355	5,656,939
Unsecured borrowings	-	-	-
Current Maturities			
Term Loans			
Foreign Currency Loan from Banks	5,681,160	2,495,600	2,495,600
Other Loan from Banks	42,255	72,985	69,336
Total Current Maturities	5,723,415	2,568,585	2,564,936
The above amount includes			
Secured borrowings	5,723,415	2,568,585	2,564,936
Amount disclosed under the head "other current liabilities"	(5,723,415)	(2,568,585)	(2,564,936)
	-	-	-

1 Term Loan from Bank of Baroda are secured by way of charge on fixed assets of the Company, personal guarantee of Dr. Kailash S. Choudhari and Corporate Guarantee of M/s Aksh Optifibre Limited.

2. Secured Car loan taken from Bank of Baroda against the hypothecation of Car.

3. Secured Car loan taken from Emirates Islamic Bank against the hypothecation of Car.

16. Provisions	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Non-Current			
Provision for Gratuity & Compensated Absences	237,186	101,404	753,368
	237,186	101,404	753,368

17. Short Term Borrowings	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Secured Loans			
Bill Discounting from Bank of Baroda	542,191	505,653	1,467,596
Unsecured Loans			
Loan from Related parties	31,792,998	25,413,103	23,584,289
Loan from Others	4,443,451	4,450,702	-
	36,778,640	30,369,458	25,051,885
Aggregate secured loans	542,191	505,653	1,467,596
Aggregate unsecured loans	36,236,449	29,863,805	23,584,289

* Bill discounting security is secured by concerned receivables and 10% margin fo fixed deposit





AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

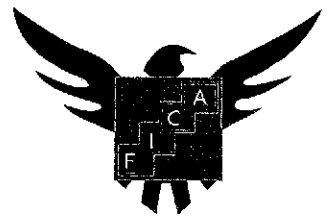
18. Trade Payables	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Current			
Trade Payables (including acceptances)	8,375,142	4,332,515	2,709,525
	8,375,142	4,332,515	2,709,525
Other Details			
Trade payables to related parties (Refer note----)	3,906,847	2,260,788	945,784
Others	4,468,293	2,071,728	1,763,741

Trade payables are generally non-interest bearing and are generally on terms of 30 to 90 days.

19. Other Financial Liabilities	Amount in AED		
	31/Mar/18	31/Mar/17	01/Apr/16
Current			
Current maturities of long term debt (Refer Note No 14)	5,723,415	2,568,585	2,564,936
Others	1,990,383	636,940	640,522
Total Current financial liabilities	7,713,798	3,205,525	3,205,458

20. Other Current Liabilities	Amount in AED		
	31/Mar/18	31/Mar/17	Amount in AED
Current			
Current maturities of long term debt (Refer Note No)	-	-	-
Others	58,471	-	-
Total Current financial liabilities	58,471	-	-

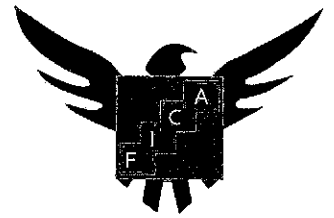




AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

21. Revenue From Operations		Amount in AED	
	31/Mar/18	31/Mar/17	
Revenue from operations			
Sale of products			
- Finished goods	16,070,519	15,150,154	
- Traded goods	2,925,000	2,429,985	
Sale of services	60,000	60,000	
Other operating revenue			
- Scrap sales	20,108	23,811	
Revenue from operations (gross)	19,075,627	17,663,950	
22. Other Income		Amount in AED	
	31/Mar/18	31/Mar/17	
Other Income	-	104,374	
	-	104,374	
23. Cost of raw material and components consumed		Amount in AED	
	31/Mar/18	31/Mar/17	
Inventory at the beginning of the year	561,230	205,501	
Add: Purchases	10,624,730	9,902,472	
	11,185,960	10,107,973	
Less: inventory at the end of the year	656,714	561,230	
Cost of raw material and components consumed	10,529,246	9,546,743	
24. Details of purchase of traded goods		Amount in AED	
	31/Mar/18	31/Mar/17	
Telecom & electronic items	2,047,500	2,085,289	
	2,047,500	2,085,289	
25. (Increase)/ decrease in inventories		Amount in AED	
	31/Mar/18	31/Mar/17	
Inventories at the end of the year			
Finished/Traded goods	1,075,239	126,098	
Semi Finished goods	545,271	407,220	
	1,620,510	533,318	
inventories at the beginning of the year			
Finished/traded goods	126,098	-	
Semi finished goods	407,220	128,125	
	533,318	128,125	
	(1,087,192)	(405,193)	
26. Employee benefits expense		Amount in AED	
	31/Mar/18	31/Mar/17	
Salaries, wages and bonus	1,491,050	2,106,768	
Gratuity	48,294	300,505	
Staff welfare expenses	75,115	223,705	
Directors' Remuneration	115,000	828,000	
	1,729,459	3,458,978	
27. Finance costs		Amount in AED	
	31/Mar/18	31/Mar/17	
Interest on Term Loan	462,759	492,034	
Interest others	1,294,070	764,199	
Bank Charges	82,363	97,050	
	1,839,192	1,353,283	



AOL (FZE)

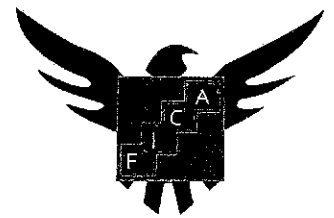
Notes to financial statements for the year ended March 31, 2018

28. Depreciation and amortization expense	Amount in AED	
	31/Mar/18	31/Mar/17
Depreciation of Property plant & Equipment's	1,225,188	1,083,856
	1,225,188	1,083,856

29. Other expenses	Amount in AED	
	31/Mar/18	31/Mar/17
Consumption of stores and spares	252,022	171,650
Power & Fuel	498,217	452,972
Packing Material Consumed	858,592	676,421
Repair & Maintenance		
- Plant & Machinery	2,728	11,800
- Buildings	6,340	-
- Others	121,952	108,791
Marketing & Service Charges	273,614	289,237
Freight & Cartage (Outward)	699,722	292,141
Travelling & Conveyance	270,101	170,104
Postage & Telephone	63,853	41,300
Insurance	100,896	137,825
Rent	272,439	373,400
Professional & Legal Expenses	-	23,200
Auditors' Remuneration	28,685	12,000
Other Expenses	212,935	200,964
	3,662,096	2,961,805

30. Exceptional Items	Amount in AED	
	31/Mar/18	31/Mar/17
Profit/(Loss) on sale of fixed assets	1,654	-
	1,654	-





AOL (FZE)

Notes to financial statements for the year ended March 31, 2018

31. CONTINGENT LIABILITIES	Amount in AED	
	31/Mar/18	31/Mar/17
Capital commitments	243,666	13,311,661

Except for the above and ongoing business obligation which are under normal course of a business against which no loss is expected, there has been no other known contingent liability or capital commitment on on Group's account as of balance sheet date.

32. RELATED PARTY TRANSACTION	Amount in AED	
	31/Mar/18	31/Mar/17

The Group enters into transactions with entities that fall within the definition of a related party.

The management considers such transactions to be in the normal course of business.

Related parties comprise companies under common ownership and/or common management control / shareholders and directors.

Balance due to/(from) as at

Loan and Advances		
Aksh Optifibre Limited, India (Holding Company)	31,792,998	25,413,103
AOL Tech Ltd FZE (Holding's Subsidiary)	841,963	-
Trade and other Payables		
Aksh Optifibre Limited, India (Holding Group)	3,906,847	2,260,788
Aksh Composites Privete Limited (Holding's Subsidiary)	860,572	-
Dr. Kailash Shantilal Choudhari (Director Remuneration)	115,000	-

Transactions

	Holding Group/Subsidiaries	Key Management Personnel	Total	Total
Repayment of loan taken	-	-	-	-
Loan & Advance Given (Holding's Subsidiary)	841,963	-	841,963	164,121
Loan Taken	5,413,030	-	5,413,030	1,101,000
Sales	953,449	-	953,449	704,113
Purchases	2,828,815	-	2,828,815	3,254,512
Services Rendered	60,000	-	60,000	60,000
Re-imbursement of expenses-received	320,459	-	320,459	131,046
Remuneration paid	-	1,955,000	1,955,000	2,760,000
Interest expenses	966,865	-	966,865	727,814

33. Leases	Amount in AED	
	31/Mar/18	31/Mar/17

Operating Lease :

The Company has entered into various lease agreements. The lease term is for periods of three to five years and renewable at the option of both the parties.

Future minimum lease payments as per contracts are as follows :

Future minimum rentals payable under non cancelable operating leases are as follows:

	31/Mar/18	31/Mar/17
With in one year	48.30	
After one year but not more than five years	193.21	
More than five years	241.52	
	483.03	

34. COMPARATIVE AMOUNTS	Amount in AED	
	31/Mar/18	31/Mar/17

Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures. The acGrouping notes form an integral part of these financial statements.

The report of the auditor is set out on page 1.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgements underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.



35 Segment Information
Identification of reportable segments

Particulars	Manufacturing				Services				Trading		Total
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	
1 Segment Revenue											
External Turnover	16,090,627	15,173,965	60,000	60,000	2,925,000	2,429,985	19,075,627	17,663,951			
Inter Segment Turnover											
Total Revenue	16,090,627	15,173,965	60,000	60,000	2,925,000	2,429,985	19,075,627	17,663,951			
2 Segment Results before Interest	166,992	741,592	60,000	59,672	871,360	332,871	1,098,353	1,134,136			
Less : Finance Costs							1,839,192	1,353,283			
Add : Interest Income											
Add : Exceptional Items							1,654	-			
Add/(Less): Unallocated (Expenses)/Income							(129,022)	(2,097,290)			
Profit before Tax	166,992	741,592	60,000	59,672	871,360	332,871	(868,208)	(2,316,437)			
3 Other Information											
Segment Assets	49,352,947	26,881,705	724,405	725,641	27,664,718	28,142,371	77,742,070	55,749,716			
Unallocated Assets							66,005,660	66,005,660			
Total Assets	49,352,947	26,881,705	724,405	725,641	27,664,718	28,142,371	143,747,730	121,755,376			
Segment Liabilities	31,206,062	14,885,958	-	5,000	958,759	793,196	32,164,821	15,684,155			
Unallocated Liability							31,792,998	25,413,103			
Share Capital & reserves							79,789,911	80,658,119			
Total Liabilities	31,206,062	14,885,958	-	5,000	958,759	793,196	143,747,730	121,755,376			
Capital Expenditure	26,826,659	2,826,453	-	-	-	2	26,826,659	2,826,453			
Depreciation and Amortization	1,197,991	1,057,311	-	328	27,197	26,217	1,225,188	1,083,856			

Approved by the Management on May 10, 2018

For AOL (FZE)

Khandher

Managing Director

