

**AOL TECHNOLOGIES FZE
JABEL ALI FREE ZONE, DUBAI, U.A.E
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED MARCH 31, 2020**

<u>CONTENTS</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME	4
STATEMENT OF CASH FLOW	5
NOTES TO THE FINANCIAL STATEMENTS	6-19



**FALCON INTERNATIONAL
CONSULTING & AUDITING**

P.O.Box: 44624, Dubai, United Arab Emirates, Tel.: +971 4 3970987
Fax: +971 4 3970988, E-mail: carakesh@falconauditing.com, admin@falconauditing.com
Website: www.falconfinservices.com



INDEPENDENT AUDITOR'S REPORT

To
The Shareholders
AOL Technologies FZE
Plot No: S30121B,
Jabel Ali Free Zone
Dubai, UAE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements M/s. **AOL Technologies FZE, Dubai, UAE (the "Company")**, which comprise the statement of financial position as at March 31, 2020, statement of profit or loss and other comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except the key matter below, the accompanying financial statements give a true and fair view of the financial position of the Company as at **March 31, 2020**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

We draw attention to the note no 3.1 to the financial statements, where the company has suspended capitalization of project for January 2020 to March 2020 and the same has been transferred to profit and loss account.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.

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.

continued...

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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For FALCON INTERNATIONAL CONSULTING & AUDITING
Chartered Accountants


Managing Partner
(Rakesh Jain)
Reg. No: 606



June 22, 2020

AOL TECHNOLOGIES FZE

Statement of Financial Position as at March 31, 2020

		AED	AED
	Notes	31/Mar/20	31/Mar/19
Assets			
Non-current assets			
Property, Plant and Equipment	3A	6,306,505	-
Capital work-in-progress	4	45,318,520	42,348,266
Financial assets			
Loans	5	-	-
Other non-current assets	6	1,988,845	2,483,611
		53,613,870	44,831,877
Current assets			
Financial Assets			
Cash and cash equivalents	7	1,444	4,529
Loans	5	25,350	23,774
Other current assets	6	233,076	194,408
		259,870	222,711
Total Assets		53,873,740	45,054,588
Equity and liabilities			
Equity			
Share capital	8	10,964,050	1,000,000
Other Equity	8	(1,162,983)	-
		9,801,067	1,000,000
Non-current liabilities			
Financial Liabilities			
Borrowings	9	27,201,306	40,980,910
Other Financial Liabilities	11	7,111,223	-
		34,312,529	40,980,910
Current liabilities			
Financial liabilities			
Borrowings	10	-	-
Other	11	9,524,645	2,847,193
Provisions	12	235,499	226,485
		9,760,144	3,073,678
Total Equity and liabilities		53,873,740	45,054,588
Summary of significant Accounting policies	3		
The accompanying notes (1-26) are an integral part of the financial statements			

Approved by the Management on 22 June 2020

For AOL TECHNOLOGIES FZE

SD/-

Managing Director



AOL TECHNOLOGIES FZE*Statement of profit and loss and other comprehensive income for the year ended 31 March 2020*

		AED	AED
	Notes	31/Mar/20	31/Mar/19
Income			
Revenue from operations	13	-	-
Other income	14	-	-
Total revenue (I)		-	-
Expenses			
Cost of raw material and components consumed	15	-	-
Purchase of traded goods	16	-	-
(Increase)/ decrease in inventories of finished goods,work-in-progress and traded goods	17	0.00	-
Employee benefits expense	18	18,003	-
Finance costs	19	600,143	-
Depreciation and amortization expense	20	90,716	-
Other expense	21	18,765	-
Total expense (II)		727,627	-
(Loss) before exceptional items and tax, (I) – (II)		(727,627)	-
Exceptional Items	22	-	-
Profit / (loss) for the year		(727,627)	-
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/ (loss) for the year		(727,627)	-
Summary of significant Accounting policies	3		
Managing Director			

Approved by the Management on 22 June 2020
AOL TECHNOLOGIES FZE

SD/-
Managing Director



AOL TECHNOLOGIES FZE
Statement of cash flow for the year ending March 31, 2020

	31-May-20	31-Mar-19
A. Cash flow from operating activities		
Profit for the year	(727,627)	-
Add : Depreciation	90,716	
Operating profit before working capital changes	(636,911)	-
Movements in working capital :		
Decrease in other payables	6,686,466	2,862,908
(Increase) in other receivables	(40,244)	(178,208)
Net cash flow from operating activities (A)	6,009,311	2,684,700
B. Cash flows from investing activities		
Purchase of property plant & equipment's	(2,970,254)	(38,118,998)
Capital advance	494,765	1,200,644
Capital Assets	(6,397,221)	
Net cash flow (used in) / from investing activities (B)	(8,872,710)	(36,918,354)
C. Cash flows from financing activities		
Received long-term borrowings	(6,668,382)	34,222,047
Proceeds of Short-term borrowings	-	-
Proceed from change in Equity/Preference Share	9,964,050	-
Proceed from Transitional Impact of IFRS 16	(435,356)	
Net cash flow (used in) in financing activities (C)	2,860,313	34,222,047
Net (decrease) / increase in cash and cash equivalents	(3,086)	(11,607)
Cash and cash equivalents at the beginning of the year	4,529	16,136
Cash and cash equivalents at the end of the year	1,444	4,529
Components of cash and cash equivalents		
With banks- on current account	1,444	4,529
Total cash and cash equivalents (refer note no. 7)	1,444	4,529
Summary of significant accounting policies		
The accompanying notes (1-26) are an integral part of the financial statements		

Approved by the Management on 22 June 2020

For AOL TECHNOLOGIES FZE

SD/-
Managing Director



AOL TECHNOLOGIES FZE
JABEL ALI FREE ZONE, DUBAI, U.A.E

Notes to the Financial Statements for the year ended March 31, 2020

1. LEGAL STATUS & BUSINESS ACTIVITIES

- a) **AOL TECHNOLOGIES FZE** ("the Establishment") was registered with the Jabel Ali Free Zone, Dubai, U.A.E as a Free Zone Establishment on August 31, 2017. Establishment is having trade license (license no 162379) and industrial license (license no 162380) valid up to August 30, 2020.
- b) The Company is engaged in the activity of wires and cable manufacturing/trading, fiber optic product and requisite manufacturing/trading.
- c) The management and control of the Company is vested with Mr. Kailash Shantilal Choudhari (Indian national).
- d) The registered office address of the Company is Plot No S30121B, Jabel Ali Free Zone, Dubai, United Arab Emirates.

SHARE CAPITAL

A) Equity Share Capital

Authorized, issued and paid up equity share capital of the company is AED 100,000 shares of AED 10 each and fully paid and held by the shareholder as follows:

SI No.	Name of the Shareholder	Nationality	No. of Shares	Amount (AED)	%
1.	M/s. Aksh Optifibre Limited	Indian Co.	100,000	1,000,000	100
			100,000	1,000,000	100

B) Preference Share Capital

Authorized, issued and paid up preference share capital of the company is AED 996,405 shares of 6% non-cumulative optionally convertible preference share of AED 10 Each, fully paid and held by the shareholder as follows:

SI No.	Name of the Shareholder	Nationality	No. of Shares	Amount (AED)	%
1.	M/s. Aksh Optifibre Limited	Indian Co.	996,405	9,964,050	100
			996,405	9,964,050	100

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.

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 2019 to 31st March 2020.

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.

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 Capital work in progress

Although operation of the company has not started yet, due to extension of active development for long period, management has decided to suspend capitalization from January 2020 to March 2020 and the same has been transferred to statement of profit and loss and other comprehensive income. Cost before January 2020 has been capitalized.

3.2 Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are classified as pre-operative expenses and transferred in to capital work in progress till projected suspended for capitalization.

3.3 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.



3.4 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.

3.5 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
Aksh Optifiber Limited, India	Holding Company
AOL FZE	Fellow Subsidiary
AOL Composites (Jiangsu) Co. Limited, (China)	Fellow Subsidiary
Aksh Composites Private Limited, (India)	Subsidiary
Aksh Technologies (Mauritius) Limited	Fellow Subsidiary
Dr. Kailash Shantilal Choudhari	Key management personnel

Transactions which were entered into with related parties is disclosed under note 16 of the financial statement.

3.6 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.

3.7 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 account's 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.

3.8 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 2020	Total
Borrowings	27,852,143
Provisions, accruals & other liabilities	9,345,044
Total	<u>37,197,187</u>



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.

3.9 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 TECHNOLOGIES FZE
Notes to financial statements for the year ended March 31, 2020

4. Capital work-in-progress		AED	AED
		31/Mar/20	31/Mar/19
WIP			
Capital WIP Building		15,384,261	15,324,953
Capital WIP Plant & Machinery		21,600,424	21,294,221
Capital WIP Utility		121,110	-
WIP-Office Equipment		6,200	-
Pre-Operative Expenses		8,206,525	5,729,092
		45,318,520	42,348,266
5. Loans		AED	AED
		31/Mar/20	31/Mar/19
Non-Current			
Security deposit		-	-
		-	-
Current			
Security deposit		25,350	23,774
		25,350	23,774
6. Other Assets		AED	AED
		31/Mar/20	31/Mar/19
Non-Current			
Capital advances		1,988,845	2,483,611
Total Other Non-Current Assets		1,988,845	2,483,611
Current			
Advances recoverable in cash or kind		324	7,769
Prepaid Expense		121,802	97,844
Balance With revenue authorities		110,950	88,795
Total Other Current Assets		233,076	194,408
7. Cash and Cash equivalents		AED	AED
		31/Mar/20	31/Mar/19
Balances with banks:			
On current accounts		1,444	4,529
Cash on hand		-	-
		1,444	4,529



AOL TECHNOLOGIES FZE

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

8. Share Capital	AED	AED
	31/Mar/20	31/Mar/19
Authorized Equity Shares (Nos) (AED 1000,000 Divided in to 100,000 Shares of AED 10 each)	1,000,000	1,000,000
Issued, subscribed and fully paid-up Equity shares (No.) (AED 1000,000 Divided in to 100,000 Shares of AED 10 each)	1,000,000	1,000,000
	1,000,000	1,000,000
9,96,405 (March 31 2019: Nil) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 10/- each	9,964,050	-
9,96,405 (March 31 2019: Nil) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 10/- each	9,964,050	-
	9,964,050	1,000,000
Total	10,964,050	1,000,000

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

		31/Mar/20	31/Mar/19
At the beginning of the year	Nos.	100,000	100,000
Add:			
Issued during the year	Nos.	-	-
Outstanding at the end of the year	Nos.	100,000	100,000
At the beginning of the year	Amount in AED	1,000,000	1,000,000
Add:			
Issued during the year		-	-
Outstanding at the end of the year	Amount in AED	1,000,000	1,000,000

Terms/ rights attached to equity shares

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

		31/Mar/20	31/Mar/19
At the beginning of the year	Nos.	-	-
Add: Issued during the year	Nos.	9,964,050	-
Outstanding at the end of the year	Nos.	9,964,050	-
At the beginning of the year	Amount in AED	-	-
Issued during the year		99,640,498	-
Outstanding at the end of the year	Amount in AED	99,640,498	-

Terms/ rights attached to Preference Shares



AOL TECHNOLOGIES FZE

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

(c) Other Equity

	31/Mar/20	31/Mar/19
Retained Earnings		
Balance as per the last financial statements	-	-
Less: Transitional Impact of IFRS 16	(435,356)	-
Profit for the year	(727,627)	-
Total Other Equity	(1,162,983)	-

9. Long Term Borrowings	AED	AED
	31/Mar/20	31/Mar/19
Non-Current		
Term Loans		
Secured Loans		
Term Loan From Bank of Baroda	27,201,306	30,457,928
Foreign Currency Loan from holding Company	-	10,522,982
Total Non-Current long term borrowings	27,201,306	40,980,910
The above amount includes		
Secured borrowings	27,201,306	30,457,928
Unsecured borrowings	-	10,522,982
Current Maturities		
Term Loans		
Secured Loans		
Term Loan From Bank of Baroda	4,926,975	1,642,325
Total Current Maturities	4,926,975	1,642,325
The above amount includes		
Secured borrowings	4,926,975	1,642,325
Unsecured borrowings	-	-
Amount disclosed under the head "other financial liabilities" (note 11)	(4,926,975)	(1,642,325)
	-	-

Term loan from bank of Baroda carries interest rate 400 BPS over 3M LIBOR with minimum of 6% p.a and repayable in next 20 equal quarterly instalments. The loans are secured by way of first charge on fixed assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari', SBLC from Union Bank of India for USD 4.457 Mn in favor of Bank of Baroda and Corporate guarantee of Aksh optifibre Limited.

10. Short Term Borrowings	AED	AED
	31/Mar/20	31/Mar/19
Unsecured Loans		
Foreign Currency Loan from holding Company	-	-
	-	-
Aggregate secured loans	-	-
Aggregate unsecured loans	-	-
	-	-



AOL TECHNOLOGIES FZE
Notes to financial statements for the year ended March 31, 2020

11. Other financial Liabilities	AED	AED
	31/Mar/20	31/Mar/19
Non-Current		
Lease Liabilities (Pursuant to IFRS 16)	6,460,385	-
Others	650,838	-
	7,111,223	-
Current		
Current maturities of long term debt (Refer note No.9)	4,926,975	1,642,325
Others	4,597,670	1,204,868
	9,524,645	2,847,193
12. Provisions	AED	AED
	31/Mar/20	31/Mar/19
Non-Current		
Provision for Gratuity & Compensated Absences	-	-
	-	-
Current		
Provision for Gratuity & Compensated Absences	235,499	226,485
	235,499	226,485
13. Revenue From Operations	AED	AED
	31/Mar/20	31/Mar/19
Revenue from operations		
Sale of products		
- Finished goods	-	-
- Traded goods	-	-
Sale of services	-	-
Other operating revenue	-	-
- Scrap sales	-	-
- Exchange Fluctuation	-	-
- Other operating revenue	-	-
Revenue from operations (gross)	-	-
14. Other Income	AED	AED
	31/Mar/20	31/Mar/19
Other Income	-	-
	-	-
15. Cost of raw material and components consumed	AED	AED
	31/Mar/20	31/Mar/19
Inventory at the beginning of the year	-	-
Add: Purchases	-	-
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	-	-



AOL TECHNOLOGIES FZE

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

16. Details of purchase of traded goods		
	AED	AED
	31/Mar/20	31/Mar/19
Telecom & electronic items	-	-
Optical fibre & Fibre reinforced plastic rods	-	-
	-	-
17. (Increase)/ decrease in inventories		
	AED	AED
	31/Mar/20	31/Mar/19
Inventories at the end of the year		
Finished/Traded goods	-	-
Semi Finished goods	-	-
	(0.00)	(0.00)
Inventories at the beginning of the year		
Finished/traded goods	-	-
Semi finished goods	-	-
	(0.00)	(0.00)
	0.00	0.00
18. Employee benefits expense		
	AED	AED
	31/Mar/20	31/Mar/19
Gratuity	1,811	-
Salary	15,000	-
Staff Welfare Exp	-	-
Visa Charges	370	-
Visa Cancelltion Charge	-	-
Accomadation Rent	-	-
Leave Encashment	822	-
	-	-
	18,003	-
19. Finance costs		
	AED	AED
	31/Mar/20	31/Mar/19
Interest on Term Loan	485,372	-
Interest others	114,040	-
Bank Charges	731	-
	600,143	-
20. Depreciation and amortization expense		
	AED	AED
	31/Mar/20	31/Mar/19
Depreciation of Property plant & Equipment's	-	-
Depreciation on Right to use of Assets (Lease Assets)	90,716	-
	90,716	-



AOL TECHNOLOGIES FZE

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

21. Other expenses	AED	AED
	31/Mar/20	31/Mar/19
Consumption of stores and spares	-	-
Power & Fuel	-	-
Packing Material Consumed	-	-
Repair & Maintenance	-	-
- Plant & Machinery	-	-
- Buildings	-	-
- Others	-	-
Marketing & Service Charges	-	-
Freight & Cartage (Outward)	-	-
Travelling & Conveyance	159	-
Postage & Telephone	-	-
Insurance	6,719	-
Rent	-	-
Professional & Legal Expenses	6,996	-
Auditors' Remuneration	3,750	-
Other Expenses	1,140	-
	18,765	-
22. Exceptional items	AED	AED
	31/Mar/20	31/Mar/19
Profit/(Loss) on sale of fixed assets	-	-
	-	-



AOL TECHNOLOGIES FZE

Notes to standalone financial statements for the year ended March 31, 2020

3 (A) Right of Use Assets	
	Right to use of Building
Movements during the year	
Balance as on March 31, 2019	
Addition on account of Transition to IFRS 16	6,669,370
Addition	-
Deletion	-
Balance as on March 31, 2020	6,669,370
Accumulated Depreciation	
Addition	362,864
Deletion	-
Balance as on March 31, 2020	362,864
Net Block value	
At March 31, 2020	6,306,505
At March 31, 2019	-

(i) The Company has adopted IFRS 16 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.



AOL TECHNOLOGIES FZE

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

23. CONTINGENT LIABILITIES	Amount in AED	Amount in AED
	31/Mar/20	31/Mar/19
Corporate guarantees given to UBI	16,556,391	16,556,391
Capital commitments	8,179,857	8,891,403

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 Company's account as of balance sheet date.

24. RELATED PARTY TRANSACTION Amount in AED

The Company 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.

(A) Holding & Subsidiary

Aksh Optifibre Ltd.(Holding)

AOL FZE, (Fellow Subsidiary)

AOL Composites (Jiangsu) Co. Limited, (China) (Fellow Subsidiary)

Aksh Composites Private Limited, (India) (Fellow Subsidiary)

Aksh Technologies (Mauritius) Limited, (Fellow Subsidiary)

(B) Transaction with related parties

Transactions	Amount in AED			
	Holding Company/ Subsidiarie	Key Mana geme	31/Mar/20	31/Mar/19
Loan & Advance Taken (Holding's Company)	-		-	4,367,300
Repayment of Loan & Advance	-		-	247,341
Interest Capitalised	92,205		92,205	485,824
Loan & Advance taken (Fellow Subsidiary)	2,295,280		2,295,280	279,450
Share Application Money (Holding's		-	-	-
Remuneration paid	-	-	-	1,450,000

Balance due (to)/ from	31/Mar/20	31/Mar/19
Loan and Advances		
Aksh Optifibre Limited, India (Holding Company)	-	(9,964,350)
Interest payable to Aksh Optifibre Limited (Holding Company)	(650,837)	(558,632)
Trade and other Payables		
AOL FZE (Fellow Subsidiary)	(2,574,730)	(279,450)



AOL TECHNOLOGIES FZE

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

25. Leases

Operating Lease :

The Company has entered into lease agreement. The lease term is for periods of twenty 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 cancellable operating leases are as f			Amount in AED	
	31/Mar/20	31/Mar/19		
With in one year	552,600	552,600		
After one year but not more than five years	2,376,180	2,376,180		
More than five years	8,922,680	9,763,215		
	11,851,460	12,691,995		

26. COMPARATIVE AMOUNTS

Amount in AED

31/Mar/20 31/Mar/19

Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those The accounting 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.

