

**Asian Oilfield & Energy Services DMCC
Dubai Multi Commodities Centre**

**Post Box 128051
Dubai (U.A.E.)**

**Financial Statements &
Independent Auditor's Report
for the year ended March 31, 2020**

Asian Oilfield & Energy Services DMCC
Dubai Multi Commodities Centre, Dubai (U.A.E.)

Financial Statements for the year ended March 31, 2020
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Manager's Report

The manager of the Company has pleasure in submitting this report along with the financial statements of Asian Oilfield & Energy Services DMCC, Dubai Multi Commodities Centre, Dubai (U.A.E.) for the year ended March 31, 2020.

Legal status and shareholder:

Asian Oilfield & Energy Services DMCC is incorporated and registered as a free zone company with limited liability with Dubai Multi Commodities Centre Authority in the emirate of Dubai (U.A.E.) under service license no. DMCC-32446 and having registration no. DMCC3462.

M/s Asian Oilfield Services Limited, a public limited company registered under certificate of incorporation no. 318353 and company identification no. L23200MH1992PLC318353 with Registrar of Companies, Mumbai, Maharashtra, India is the sole shareholder of the Company as at the reporting date holding share capital of AED 3,675,000/- (3,675 shares of AED 1,000/- each), equivalent to USD 1,000,000/-. The registered address of M/s Asian Oilfield Services Limited is 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai-400022, Maharashtra, India.

During the previous year, M/s Asian Oilfield Services Limited registered address was changed from Delhi to Mumbai with effect from December 17, 2018 and it was re-registered under Registrar of Companies, Mumbai, Maharashtra, India whereas earlier it was registered under Registrar of Companies, National Capital Territory of Delhi, Haryana, India under company identification no. L23200HR1992PLC052501.

Operations of the Company:

The Company is licensed to carry on the activity of providing services in onshore & offshore oil & gas field and was principally engaged in same activity during the year under review.

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 it's preliminary assessment & review, assures that it would be able to continue it's operations in the foreseeable future. Hence these financial statements are prepared on a going concern assumption.

The financial highlights of the Company are as below:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Revenue	34,225,465	7,279,941
Gross profit	5,811,441	2,009,890
Net profit	4,121,282	1,423,596
Total liabilities	9,335,575	2,282,913
Equity & shareholder's funds	7,658,985	8,323,134

Asian Oilfield & Energy Services DMCC

(A Company registered and licenced as a Free Zone Company under the Rules & Regulations of DMCCA)

Unit No: AU-29-J Gold Tower AU Plot No: JLT-PH1-I3A Jumeirah Lakes Tower, Dubai United Arab Emirates

E-mail mail@asiandmcc.com Phone +009714-5787620 Website: www.asianoilfield.com PO Box: 235660

Results & dividend:

Net profit for the year amounted to USD 4,121,282/- (previous year earned net profit of USD 1,423,596/-).

A sum of USD 1,000,000/- (previous year USD Nil/-) has been approved & distributed as dividend and the said amount has been paid to the shareholder. Balance retained earnings is proposed to be carried forward.

Management's responsibilities & acknowledgements:

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 for Small and Medium-sized Entities (IFRS for SMEs), implementing DMCC Company Regulations 2003 and applicable provisions of the Memorandum & Articles 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:

Subsequent to the reporting date, the Company has filed an appeal dated May 4, 2020 with reference to case no. 354/2017 Plenary Labour dated May 5, 2018 against Mr. Pradeep Vaswani. The Court had appointed June 2, 2020 to hear the appeal and on said hearing date, the case was postponed for hearing on June 16, 2020.

Apart from the above, there were no other significant 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, Dubai (U.A.E.) are retiring at the end of the annual general meeting of the shareholder 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 shareholder at the annual general meeting.

For Asian Oilfield & Energy Services DMCC

Vinod Khatod
Manager



June 04, 2020
Dubai, United Arab Emirates

Asian Oilfield & Energy Services DMCC

(A Company registered and licenced as a Free Zone Company under the Rules & Regulations of DMCCA)
Unit No: AU-29-J Gold Tower AU Plot No: JLT-PH1-I3A Jumeirah Lakes Tower, Dubai United Arab Emirates
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Source to **Solutions**

Independent Auditor's Report

To the shareholder of

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

Qualified opinion:

We have audited the financial statements of Asian Oilfield & Energy Services DMCC, Dubai Multi Commodities Centre, Dubai (U.A.E.) (the Company), which comprise the statement of financial position as at March 31, 2020, the statement of comprehensive income, statement of changes in equity & shareholder's funds and statement of cash flows for the year then ended, and notes & schedules to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Asian Oilfield & Energy Services DMCC as at March 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) applied on a consistent basis.

Basis for qualified 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 Dubai (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 qualified opinion.

Our basis of qualified opinion is mentioned below:

- Advance to suppliers amounting to USD 85,000/- are subject to confirmation & impairment testing.
- Amounts due from related party amounting to USD 1,677,011/- has not been impaired though there exists objective evidence of impairment.

Material uncertainty relating to going concern:

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.

The management of the Company after considering the future projections of revenue, profitability and cash flows is confident that the Company would be able to honor its commitments as and when they fall due and the Company would be able to operate for the immediate next 12 months. Hence the financial statements have been prepared on a going concern assumption and our opinion is not modified in respect of the above matter.



كوتاري لتدقيق الحسابات

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Member Firm of :



Independent Auditor's Report (continued)

To the shareholder of

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

Emphasis of matters:

Without further qualifying our opinion we draw your attention to the following:

- The Company has filed for arbitration in 'The London Court of International Arbitration' on February 22, 2019 claiming an overdue amount from a settlement agreement with a customer, amounting to USD 2,000,000/-. Both the parties had agreed on suspension of arbitration proceedings and evaluating an out-of-court settlement. Further, as per the parties joint communication to the Tribunal dated March 31, 2020 and the Tribunal's Procedural Order No. 11 dated April 1, 2020, both the parties have mutually agreed to a further extension of the current stay of the arbitration proceedings up to and including June 30, 2020 and the deadline for the parties to produce further documents pursuant to the Tribunal's rulings in the Redfern Schedules is extended to July 1, 2020.
- We have relied on certificate of physical verification of assets received from an independent audit firm which has conducted physical verification of the property, plant & equipment lying at various project locations in India.

Other matter:

- The enclosed financial statements are standalone financial statements since as represented to us, the financial statements of Company's subsidiary shall be consolidated directly by the Company's parent.

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 Standard for Small and Medium-sized Entities (IFRS for SMEs), implementing DMCC Company Regulations of 2003 and applicable provisions of the Memorandum & Articles 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.

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.



Independent Auditor's Report (continued)

To the shareholder of

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

Report on other legal and regulatory requirements:

Further, we report that:

- We have obtained all the information we considered necessary for the purpose of our audit.
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of DMCC Company Regulations of 2003 and of its Memorandum & Articles of Association of the Company.
- The Company has maintained proper books of accounts and the financial statements are in agreement therewith.
- The financial information included in the Manager's Report is consistent with the books of accounts and records of the Company.
- The Company has not purchased or invested in any shares during the financial year ended March 31, 2020.
- Note no. 4.1 to the financial statements discloses material related party transactions, and the terms under which they were conducted.
- Schedule no. 3 to the financial statements discloses amount withdrawn by the shareholder.
- 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 March 31, 2020, any of the requirements of implementing DMCC Company Regulations of 2003 and the Memorandum & Articles of Association which would materially affect its activities or its financial position as at March 31, 2020.

Kothari Vipul R.

Ministry of Economy Registration No. 159

Kothari Auditors & Accountants

June 04, 2020

Dubai, United Arab Emirates



Asian Oilfield & Energy Services DMCC
Dubai Multi Commodities Centre, Dubai (U.A.E.)
Statement of Financial Position as at March 31, 2020

Particulars	Note no.	2020 USD	2019 USD
Assets:			
Non-current assets			
Property, plant & equipment	Sch 1	3,412,329	4,868,419
Investment in subsidiary	5	<u>32,258</u>	<u>32,258</u>
		3,444,587	4,900,677
Current assets			
Deposits, prepayments & advances	6	488,735	682,366
Accounts receivable	7	4,138,543	3,440,363
Amounts due from related party	8	1,677,011	1,550,536
Cash & bank balances	9	<u>7,245,684</u>	<u>32,105</u>
		<u>13,549,973</u>	<u>5,705,370</u>
Total assets employed		<u>16,994,560</u>	<u>10,606,047</u>
Equity, shareholder's funds & liabilities:			
Equity & shareholder's funds			
Share capital	10	1,000,000	1,000,000
Reserves & surplus	11	<u>7,120,612</u>	<u>3,999,330</u>
Equity		8,120,612	4,999,330
Loan from shareholder	Sch 2	-	2,465,431
Shareholder's current account	Sch 3	<u>(461,627)</u>	<u>858,373</u>
Equity & shareholder's funds		7,658,985	8,323,134
Non-current liabilities			
Employee end of service benefits	12	<u>8,775</u>	<u>5,755</u>
		8,775	5,755
Current liabilities			
Accounts payable	13	7,822,048	2,033,845
Amounts due to customers for contract work	14	-	-
Provisions, accruals & other liabilities	15	1,504,752	243,313
Loans from banks & financial institutions	16	<u>-</u>	<u>-</u>
		<u>9,326,800</u>	<u>2,277,158</u>
Total liabilities		<u>9,335,575</u>	<u>2,282,913</u>
Total equity, shareholder's funds & liabilities		<u>16,994,560</u>	<u>10,606,047</u>

The attached note nos. 1 - 26 and schedule nos. 1 to 3 form an integral part of these financial statements.

Auditor's report is on page nos. 3 - 5. The manager has approved & authorized the issuance of these financial statements on June 04, 2020.

For Asian Oilfield & Energy Services DMCC

Vinod Khatod
Manager



Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

Statement of Comprehensive Income for the year ended March 31, 2020

Particulars	Note no.	2020 USD	2019 USD
Revenue	17	34,225,465	7,279,941
Direct costs	18	<u>(28,414,024)</u>	<u>(5,270,051)</u>
Gross profit		5,811,441	2,009,890
Other income	19	347,154	197,265
Administrative costs	20	(342,762)	(436,260)
Finance costs	21	(116,285)	(344,147)
Other expenses	22	<u>(5,368)</u>	<u>(3,152)</u>
Net profit before tax for the year		5,694,180	1,423,596
Tax expenses	23	<u>(1,572,898)</u>	-
Net profit for the year		<u>4,121,282</u>	<u>1,423,596</u>

The attached note nos. 1 - 26 and schedule nos. 1 to 3 form an integral part of these financial statements.

Auditor's report is on page nos. 3 - 5. The manager has approved & authorized the issuance of these financial statements on June 04, 2020.

For Asian Oilfield & Energy Services DMCC

Vinod Khatod
Manager



Asian Oilfield & Energy Services DMCC
Dubai Multi Commodities Centre, Dubai (U.A.E.)

Statement of Changes in Equity & Shareholder's Funds for the year ended March 31, 2020

	Amount in U.S. Dollars (USD)					
	Share capital	Proposed dividend	Retained earnings	Loan from shareholder	Shareholder's current account	Total
Balance at March 31, 2018	1,000,000	-	2,575,734	4,800,351	(899,627)	7,476,458
Net profit for the year	-	-	1,423,596	-	-	1,423,596
Net movements	-	-	-	(2,334,920)	1,758,000	(576,920)
Balance at March 31, 2019	1,000,000	-	3,999,330	2,465,431	858,373	8,323,134
Net profit for the year	-	-	4,121,282	-	-	4,121,282
Dividend proposed	-	1,000,000	(1,000,000)	-	-	-
Dividend paid	-	(1,000,000)	-	-	-	(1,000,000)
Net movements	-	-	-	(2,465,431)	(1,320,000)	(3,785,431)
Balance at March 31, 2020	1,000,000	-	7,120,612	-	(461,627)	7,658,985

The attached note nos. 1 - 26 and schedule nos. 1 to 3 form an integral part of these financial statements.

Auditor's report is on page nos. 3 - 5.



Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

Statement of Cash Flows for the year ended March 31, 2020

Particulars	Note no.	2020 USD	2019 USD
Cash flows from operating activities			
Net profit for the year		4,121,282	1,423,596
Adjustments for:			
Depreciation on property, plant & equipment		1,456,090	1,480,869
Reversal of earlier year provisions		(223,879)	(74,625)
Interest income		(123,275)	(122,640)
Finance costs		116,285	344,147
Employee end of service benefits provided.		3,020	5,755
Operating cash flows before changes in working capital		5,349,523	3,057,102
Working capital changes:			
Movement in accounts receivable		(698,180)	(1,943,388)
Movement in deposits, prepayments & advances		193,631	559,382
Movement in accounts payable		6,012,082	308,382
Movement in provisions, accruals & other liabilities		1,261,439	(81,363)
Net cash generated from operating activities		12,118,495	1,900,115
Cash flows from investing activities:			
Movement in amounts due from related party		(126,475)	(122,640)
Interest income		123,275	122,640
Net cash (used in) investing activities		(3,200)	-
Cash flows from financing activities:			
Dividends paid		(1,000,000)	-
Movement in loan from banks & financial institutions		-	(1,375,000)
Finance cost		(116,285)	(344,147)
Movement in loan from shareholder		(2,465,431)	(2,334,920)
Movement in shareholder's current account		(1,320,000)	1,758,000
Net cash (used in) financing activities		(4,901,716)	(2,296,067)
Net movement in cash & cash equivalents		7,213,579	(395,952)
Cash & cash equivalents at beginning of the year		32,105	428,057
Cash & cash equivalents at end of the year	9	7,245,684	32,105

The attached note nos. 1 - 26 and schedule nos. 1 to 3 form an integral part of these financial statements.
Auditor's report is on page nos. 3 - 5.

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

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

1. Legal status and activity:

Asian Oilfield & Energy Services DMCC is incorporated and registered as a free zone company with limited liability with Dubai Multi Commodities Centre Authority in the emirate of Dubai (U.A.E.) under service license no. DMCC-32446 and having registration no. DMCC3462.

M/s Asian Oilfield Services Limited, a public limited company registered under certificate of incorporation no. 318353 and company identification no. L23200MH1992PLC318353 with Registrar of Companies, Mumbai, Maharashtra, India is the sole shareholder of the Company as at the reporting date holding share capital of AED 3,675,000/- (3,675 shares of AED 1,000/- each), equivalent to USD 1,000,000/-. The registered address of M/s Asian Oilfield Services Limited is 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai-400022, Maharashtra, India

During the previous year, M/s Asian Oilfield Services Limited registered address was changed from Delhi to Mumbai with effect from December 17, 2018 and it was re-registered under Registrar of Companies, Mumbai, Maharashtra, India whereas earlier it was registered under Registrar of Companies, National Capital Territory of Delhi, Haryana, India under company identification no. L23200HR1992PLC052501.

The principal place of business is Unit no. AU-29-J, Gold Tower (AU), JLT-PH1-13A, Jumeirah Lake, Dubai (U.A.E.)

The Company is licensed to carry on the activity of providing services in onshore & offshore oil & gas field and was principally engaged in same activity during the year under review.

2. Basis of preparation:

2.1. Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs), issued by the International Accounting Standards Board (IASB).

2.2. Basis of measurement:

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

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. Hence these financial statements are prepared on a going concern assumption.

2.3. Basis of accounting & coverage:

The Company follows the accrual basis of accounting except for statement of cashflows which is prepared on a cash basis. Under the 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 from April 01, 2019 to March 31, 2020. Previous year figures are for the period from April 01, 2018 to March 31, 2019 and have been regrouped where necessary.

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

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

2.4. Functional & presentation currency:

The financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. All financial information presented in USD has been rounded off to the nearest US Dollar.

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 which are material in nature, have been considered, in the preparation of financial statements.

- Useful lives of property, plant & equipment:

The Company follows the group accounting policy for determining the useful lives, salvage value and thus the depreciation rates of the items of property, plant & equipments. The Company reviews the estimated lives and salvage value on the periodic basis (as per group accounting policies) and depreciation charge would be adjusted when the management believes that they differ from previous estimates.

- Impairment of accounts receivable:

Accounts receivable 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 receivable is created if same is outstanding for beyond normal credit terms & doubtful.

- Estimated project cost:

The Company makes an estimation of total cost of the project (excluding incremental cost to obtain the contract) and tests the estimates every year and revises total estimated cost and cost-to-be-incurred. This estimation is significant to the determination of the stage of completion and thus measurement of the contract revenue & profits. Management of the Company provides said estimated cost for completing the projects after consulting respective project managers & engineers.

3. 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:

3.1. 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.

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

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

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

Machinery & tools	106 months
Office equipment	74-190 months
Vehicles	126 months

The gain or loss arising on the disposal or retirement of an item of property, plant & equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

A decline in the value of property, plant & equipment could have a significant effect on the amounts recognised in these financial statements. Management assesses the impairment of property, plant & 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. Amounts due to/from customers for contract work:

Amount due to customers for contract work represents excess of progress billings over the contract revenue in respect of projects under progress and computed on percentage completion basis.

Amount due from customers for contract work represents un-billed revenue in respect of projects under progress and computed on percentage completion basis.

3.3. 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 balance with banks in current accounts.

Accounts receivable:

Accounts receivable are amounts due from customers towards sale of goods or providing of services in the ordinary course of business. Accounts receivable 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 receivable. A reserve for impairment of accounts receivable 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 receivable.

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.

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

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

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.

3.4. 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.

Asian Oilfield & Energy Services DMCC

Dubai Multi Commodities Centre, Dubai (U.A.E.)

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

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.

3.5. 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 asset (an incurred "loss event") and that loss event (events) has an impact on the estimated future cashflows of the financial assets or the group of financial assets can be readily 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 the 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 the carrying amount and the present value of future cashflows discounted at the current market rate of return for a similar asset.
- For assets carried at amortized cost, impairment is the difference between carrying amount and the present value of estimated future cashflows discounted at the financial asset's original effective interest.

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.

3.6. Leases:

Leases are classified as finance leases when substantially all risks and rewards of ownership are transferred to the lessee. All other leases are operating leases.

Operating lease:

Lease payments under an operating lease are recognized as an expense in the statement of comprehensive income on a straight line basis over the lease term. Generally the Company's operating leases are for annual duration and hence the Company is not exposed to any operating lease obligations.

3.7. Employee benefits:

Employee benefits have been provided for in accordance with the contractual terms with the employees, but are 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.

3.8. Provisions & contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) 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.

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

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.

3.9. 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 the same within the prescribed due dates of filing VAT return. Net position of Value Added Tax as on reporting date is disclosed under other current assets.

3.10. 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 & duties.

Revenue from contract work:

Revenue from contract is recognized based on cost-to-cost method. Cost-to-cost is referred to as a method by which the revenue is recognized based on the stage/percentage of project completion. Percentage of project completion is measured as the proportion that contract cost incurred till date bears to the total estimated contract cost.

Recognised profit (loss) is the excess (deficit) of contract revenue over contract cost. Any excess of contract cost incurred including recognised profit (loss) over progressive billing is treated as 'Amount due from customers for contract work' and any excess of progressive billing over contract cost incurred including recognised profit (loss) is treated as 'Amount due to customers for contract work'.

Other income:

Other income is recognized as & when due or received whichever is earlier.

3.11. 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.

3.12. Foreign currencies transactions:

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

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.

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.

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

4. Other significant disclosures:

4.1. Related party transactions:

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

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 comprises of the shareholder, key management personnel & group companies as stated here under:

<u>Name of the related parties</u>	<u>Control</u>	<u>Relation</u>
M/s Asian Oilfield Services Limited, India	Shareholder	Parent company
M/s AOSL Petroleum Pte. Ltd, Singapore	Common control	Group company
M/s Ivorene Oil Services Nigeria Limited, Nigeria	99.99% control	Subsidiary
M/s Oilmax Energy Private Limited	Common control	Ultimate parent company
Mr. Vinod Khatod	Manager	Key management personnel
Mr. Avinash Dilip Tawde	Director	Key management personnel
Mr. Vasudev Devagiri	Director	Key management personnel

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

<u>Nature of transactions</u>	<u>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Revenue:		
- Rental income charged to parent company	560,000	1,088,000
Direct costs:		
- Consultancy charges paid to parent company	4,200,000	900,000
- Service charges paid to subsidiary	7,292,319	1,503,852
- Sub-contracting charges paid to group company	2,649,475	-
Other transactions:		
- Interest on amounts due from group company	123,275	122,640
- Interest on loan from shareholder	106,492	305,080
Compensation to key management personnel:		
- Manager's remuneration & benefits	56,257	60,599

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

Amounts due from related party:

Amounts due from related party is bearing interest @ 10.00% p.a. (previous year @ 10.00% p.a.).

Loans from shareholder:

Loan from shareholder was long term in nature, without any fixed repayment schedule and bears interest @ 9.00% p.a. (previous year @ 9.00% p.a.).

Shareholder's current account:

Balance in shareholder's current account represents amount (withdrawn)/invested by the shareholder. Said balance is long term in nature and free of interest.

4.2. Financial, capital risk management & fair value information:

a. 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 exposure to credit risk on accounts receivable and amounts due from related parties is monitored on an ongoing basis by the management and these are considered recoverable by the Company's management. However 100% of total accounts receivable were outstanding from 2 customers (previous year 100% of the total accounts receivable from 2 customers) and hence the Company has concentration of accounts receivable and consequent risk to that extent.

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 Company's management is confident of settling the liabilities as and when it falls due, with project revenue cash generation and infusion by the shareholder as and when required.

The table below summarises the maturity profile of the Company's financial liabilities on contractual undiscounted payments.

	Less than 6 months	6 months to 1 year	More than 1 year	Total USD
Financial liabilities as on March 31, 2020				
Employee end of service benefits	-	-	8,775	8,775
Accounts payable	7,822,048	-	-	7,822,048
Provisions, accruals & other liabilities	1,504,752	-	-	1,504,752
Total	9,326,800	-	8,775	9,335,575

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

Financial liabilities as on March 31, 2019	Less than 6 months	6 months to 1 year	More than 1 year	Total USD
Employee end of service benefits	-	-	5,755	5,755
Accounts payable	1,998,517	35,328	-	2,033,845
Provisions, accruals & other liabilities	<u>243,313</u>	<u>-</u>	<u>-</u>	<u>243,313</u>
Total	<u>2,241,830</u>	<u>35,328</u>	<u>5,755</u>	<u>2,282,913</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.

Interest @ 9.00% p.a. (previous year @ 9.00% p.a.) was payable on loan from shareholder.

Interest @ 10.00% p.a. (previous year @ 10.00% p.a.) is receivable on amounts due from related party.

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 States Dollar (USD) only.

However the Company is exposed to following foreign currency risk:

	<u>2020</u>	<u>2019</u>
Liabilities denominated in INR	-	913,885

Other risks:

- Revenue risk:

98.36% of revenue was generated from 1 customer only (previous year 100% from 2 customers) and hence the company has concentration of revenue & consequent risk to that extent.

b. 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.

During the year under review, the shareholder has approved & distributed dividend of USD 1,000,000/- (previous year USD Nil/-) and said dividend has been paid to the shareholder.

c. 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, accrued income 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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Notes to the Financial Statements for the year ended March 31, 2020 (continued)

5. Investments in subsidiary:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Investment in subsidiary	32,258	32,258
	<u>32,258</u>	<u>32,258</u>

Investment in subsidiary represents subscription to 99.99% of the paid up share capital of M/s Ivorene Oil Services Nigeria Limited, Nigeria (9,999,999 fully paid up equity shares of NGN 1/- each, equivalent to USD 32,258/-).

6. Deposits, prepayments & advances:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Deposits	2,792	1,090
Prepayments	91,036	4,230
Advance to suppliers	335,000	674,500
Loans & advances to staff	2,206	143
Other current assets	57,701	2,403
	<u>488,735</u>	<u>682,366</u>

Movement in reserve for impairment of advances to suppliers and deposit are as follows:

Balance at the beginning of the year	-	-
Provided during the year	2,841	-
(Utilised) during the year	<u>(2,841)</u>	<u>-</u>
Balance at the end of the year	<u>-</u>	<u>-</u>

a. Deposits include AED 3,000/-, equivalent to USD 817/- (previous year AED 3,000/-, equivalent to USD 817/-) placed with Dubai Multi Commodities Centre Authority towards employee visa guarantees.

b. Other current assets includes VAT receivable balance of USD 25,918/- (previous year USD 396/-) which is based on computation of VAT pursuant to VAT returns as prepared by the management and subject to assessment & confirmation by the Federal Tax Authority.

7. Accounts receivable:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Trade receivable	4,138,543	3,440,363
	<u>4,138,543</u>	<u>3,440,363</u>

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

Age-wise analysis of trade receivable is as follows:

Outstanding for less than 3 months	2,138,543	375,283
Outstanding for more than 3 months but less than 6 months	-	1,065,080
Outstanding for more than 6 months but less than 12 months	-	2,000,000
Outstanding for more than 12 months	<u>2,000,000</u>	<u>-</u>
	<u>4,138,543</u>	<u>3,440,363</u>

Geographical analysis of accounts receivable is as follows:

Due from Mauritius	2,000,000	2,000,000
Due from Nigeria	<u>2,138,543</u>	<u>1,440,363</u>
	<u>4,138,543</u>	<u>3,440,363</u>

The Company's exposure to credit risk relating to accounts receivable is disclosed in note no. 4.2.(a).

8. Amounts due from related party:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Due from group company	<u>1,677,011</u>	<u>1,550,536</u>
	<u>1,677,011</u>	<u>1,550,536</u>

Amounts due from related party carries interest @ 10.00% p.a. (previous year @ 10.00% p.a.) and includes accrued interest of USD 447,427/- (previous year USD 324,152/-).

9. Cash & bank balances/Cash & cash equivalents:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Balance with banks in current accounts	<u>7,245,684</u>	<u>32,105</u>
	<u>7,245,684</u>	<u>32,105</u>

10. Share capital:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Share capital	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>

Share capital comprises of 3,675 fully paid up equity shares of AED 1,000/- each totalling to AED 3,675,000/-, equivalent to USD 1,000,000/- (previous year 3,675 fully paid up equity shares of AED 1,000/- each totalling to AED 3,675,000/-, equivalent to USD 1,000,000/-).

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

11. Reserves & surplus:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Retained earnings	7,120,612	3,999,330
	<u>7,120,612</u>	<u>3,999,330</u>

12. Employee end of service benefits:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Balance at the beginning of the year	5,755	-
Provided for the year	3,020	5,755
Balance at the end of the year	<u>8,775</u>	<u>5,755</u>

Employee end of service benefits is payable to key management personnel.

13. Accounts payable:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Payable for expenses	134,749	83,523
Payable for sub-contractors	4,145,003	-
Payables to subsidiary	2,822,821	1,950,322
Payables to group company	719,475	-
	<u>7,822,048</u>	<u>2,033,845</u>

14. Amounts due to customer for contract work:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Recognised profits on projects in progress		
Amounts due to customer for contract work		
Project cost incurred to date	29,092,368	-
Recognised profits	6,848,231	-
Contract revenue to date	35,940,599	-
Progress billings	(40,482,400)	-
Amounts due to customer for contract work	<u>(4,541,801)</u>	<u>-</u>

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

Amounts due to customer for contract work is netted off against project receivables outstanding in the books and only the balance amount is shown under this head.

Amounts due to customer for contract work	(4,541,801)	-
Less: adjusted with corresponding project receivables	<u>4,541,801</u>	<u>-</u>
	<u>-</u>	<u>-</u>

15. Provisions, accruals & other liabilities:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Accrued expenses	1,351,302	234,268
Accrued staff salaries & benefits	7,202	9,045
Other liabilities	<u>146,248</u>	<u>-</u>
	<u>1,504,752</u>	<u>243,313</u>

Other liabilities represents provision made against legal expenses (refer note no. 24.b.).

16. Loans from banks & financial institutions:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Opening balance	-	1,375,000
Received during the year	-	-
(Repaid) during the year	<u>-</u>	<u>(1,375,000)</u>
Closing balance	<u>-</u>	<u>-</u>

17. Revenue:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Revenue from oilfield services	34,225,465	6,371,986
Compensation on termination of service contract	<u>-</u>	<u>907,955</u>
	<u>34,225,465</u>	<u>7,279,941</u>

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

18. Direct costs:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Salaries, wages & other benefits	33,824	552,962
Consultancy expenses	6,590,205	1,705,204
Service charges	7,292,319	1,503,852
Sub-contracting charges	13,062,669	-
Overseas travelling expenses	15,545	91,182
Insurance expenses	45,082	13,600
Other direct expenses	-	32,624
Depreciation on machinery, tools & vehicles	<u>1,374,380</u>	<u>1,370,627</u>
	<u>28,414,024</u>	<u>5,270,051</u>

19. Other income:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Interest income on amounts due from related party	123,275	122,640
Reversal of earlier year provision	<u>223,879</u>	<u>74,625</u>
	<u>347,154</u>	<u>197,265</u>

20. Administrative costs:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Office rent	9,105	4,657
Manager's remuneration & benefits	56,257	60,599
Communication expenses	3,306	36,397
Fees & charges	24,768	14,504
Office & other expenses	21,368	16,261
Compensation against legal case	146,248	-
Compensation of termination of contract	-	193,600
Depreciation on other property, plant & equipment	<u>81,710</u>	<u>110,242</u>
	<u>342,762</u>	<u>436,260</u>

21. Finance costs:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Bank charges	9,793	10,734
Interest on term loan	-	28,333
Interest on loan from shareholder	<u>106,492</u>	<u>305,080</u>
	<u>116,285</u>	<u>344,147</u>

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

22. Other expenses:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Foreign exchange loss - net	2,527	3,152
Impairment of advance to suppliers & deposit	2,841	-
	<u>5,368</u>	<u>3,152</u>

23. Tax expenses

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Tax expenses	1,572,898	-
	<u>1,572,898</u>	<u>-</u>

Tax expenses represents USD 231,179/- pertaining to projects executed by the company in 2016-17 and 2017-18 as directed by Nigerian Federal Inland Revenue Service Authority (FIRS). Further, tax liability provision of USD 136,508/- & USD 1,205,211/- have been created for the period 2018-19 & 2019-20 respectively.

24. Legal matters:

a. Arbitration proceedings:

The Company has filed for arbitration in 'The London Court of International Arbitration' on February 22, 2019 claiming an amount from a settlement agreement the matter of compensation for early termination of 'Service Contract for Operations and Maintenance of Floating Production Unit' for an amount of 2,000,000/-. Both the parties had agreed on suspension of arbitration proceedings and evaluating an out-of-court settlement. Further, as per the parties joint communication to the Tribunal dated March 31, 2020 and the Tribunal's Procedural Order No. 11 dated April 1, 2020 both the parties have mutually agreed to a further extension of the current stay of the arbitration proceedings up to and including June 30, 2020 and the deadline for the parties to produce further documents pursuant to the Tribunal's rulings in the Redfern Schedules is extended to July 1, 2020.

b. Legal case:

Case no. 354/2017 in Dubai Court:

A case was filed by Mr. Pradeep Devraj Vaswani, an ex-employee against the Company claiming AED 2,025,914/- towards his unpaid salary, wrongful termination, expenses etc.

The verdict was in the favour of the plaintiff and the court had directed that the Company would pay AED 537,097/- (including cost of flight ticket) equivalent to USD 146,248/- to the plaintiff and the same has been provided in the books.

The Company's management represents that it was unaware of any such legal case brought against it and that it had not received any notice, could not represent & defend through any lawyer and the judgement was passed ex-parte.

The Company had filed appeal in Dubai Court against the said order and further hearing was scheduled on March 1, 2020. However, as per notice dated May 4, 2020, the court had appointed June 2, 2020 to hear the appeal and on said hearing date, the case was postponed for hearing on June 16, 2020.

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

25. Contingent liabilities:

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Employee visa guarantee	817	817

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

26. Events occurring after the reporting date:

Subsequent to the reporting date, the Company has filed an appeal dated May 4, 2020 with reference to case no. 354/2017 Plenary Labour dated May 5, 2018 against Mr. Pradeep Vaswani. The Court had appointed June 2, 2020 to hear the appeal and on said hearing date, the case was postponed for hearing on June 16, 2020.

Apart from the above, there were no other significant events occurring after the reporting date that would materially affect the working or the financial statements of the Company.

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

Schedule 1 - Property, plant & equipment:

Particulars	Amount in U.S. Dollars (USD)			
	Plant & machinery	Office equipment	Vehicles	Total
Cost:				
As at March 31, 2019	12,190,558	716,992	139,361	13,046,911
Additions	-	-	-	-
As at March 31, 2020	<u>12,190,558</u>	<u>716,992</u>	<u>139,361</u>	<u>13,046,911</u>
Accumulated depreciation & impairment:				
As at March 31, 2019	7,558,375	480,756	139,361	8,178,492
For the year	1,374,380	81,710	-	1,456,090
As at March 31, 2020	<u>8,932,755</u>	<u>562,466</u>	<u>139,361</u>	<u>9,634,582</u>
Net value- March 31, 2020	<u>3,257,803</u>	<u>154,526</u>	<u>-</u>	<u>3,412,329</u>
Net value- March 31, 2019	<u>4,632,183</u>	<u>236,236</u>	<u>-</u>	<u>4,868,419</u>

Property, plant & equipment are lying at various project sites in India.



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

Schedule 2 - Loan from shareholder:

Particulars	Amount in U.S. Dollars (USD)	
	Asian Oilfield Services Limited	Total
As at March 31, 2018	4,800,351	4,800,351
(Repaid) during the year	(2,640,000)	(2,640,000)
Interest on loan account	305,080	305,080
As at March 31, 2019	2,465,431	2,465,431
(Repaid) during the year	(2,571,923)	(2,571,923)
Interest on loan account	106,492	106,492
As at March 31, 2020	-	-

Loan from shareholder was long term in nature, without any fixed repayment schedule and bearing interest @ 9.00% p.a. (previous year @ 9.00% p.a.).

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

Schedule 3 - Shareholder's current account:

Particulars	Amount in U.S. Dollars (USD)	
	Asian Oilfield Services Limited	Total
As at March 31, 2018	(899,627)	(899,627)
Net movements	1,758,000	1,758,000
As at March 31, 2019	858,373	858,373
Net movements	(1,320,000)	(1,320,000)
As at March 31, 2020	(461,627)	(461,627)

Balance in shareholder's current account represents amount (withdrawn)/invested by the shareholder. Said balance is long term in nature and free of interest.