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CEREBRA MIDDLE EAST FZCO
DUBAI SILICON OASIS
DUBAI
UNITED ARAB EMIRATES

FINANCIAL STATEMENTS
MARCH 31, 2020

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
CEREBRA MIDDLE EAST FZCO
DUBAI SILICON OASIS, DUBAI, UNITED ARAB EMIRATES

We have audited the accompanying financial statements of Cerebra Middle East FZCO, Dubai Silicon Oasis, Dubai, U.A.E, (the 'Company'), which comprise the statement of financial position as at March 31, 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

- We have not received direct confirmation for accounts receivable balances (Note no: 5). We have relied on management representations for the recoverability of the accounts receivable balances.

- We have not received direct confirmation for accounts payable balances (Note no: 12).

- Bank balance and Cash & Loans and Borrowings which include balances with The First Abu Dhabi Bank, Dubai, National Bank of Fujairah, Dubai and The Abu Dhabi Commercial Bank, Dubai are subject to direct confirmation. In the absence of direct confirmation, we are unable to ascertain provision for accrued interest/ contingent liabilities outstanding as at the balance sheet date. The personal guarantees and securities provided to the banks against facilities and loans are disclosed as per the management representations provided to us.

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INPACT MEMBER

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Except for the effects of the foregoing, if any, in our opinion, the financial statements present fairly, in all material respects, 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.

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Ethics Plus
Public Accountants
Dubai
July 16, 2020

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INPACT
MEMBER

Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF FINANCIAL POSITION
As at March 31, 2020

	Notes	31.03.20 AED	31.03.19 AED
ASSETS			
Current assets:			
Trade accounts receivables	5	49,972,454	38,766,942
Inventories	6	272,117	188,912
Prepayments, deposits and other receivables	7	4,194,874	3,314,459
Deposits with banks	8	124,106	622,610
Bank balance and cash	9	320,658	75,279
		54,884,209	42,968,202
Non-current assets:			
Property, plant and equipments (net)	10	32,882,762	58,789
		32,882,762	58,789
Total assets		87,766,971	43,026,991
LIABILITIES			
Current liabilities:			
Current term portion of loans and borrowings	11	1,679,627	458,837
Trade accounts payables	12	9,446,825	5,733,052
Accruals and other payables	13	1,381,752	252,891
		12,508,204	6,444,780
Non- current liabilities:			
Medium term portion of loans and borrowings	11	197,694	293,746
		197,694	293,746
Total liabilities		12,705,898	6,738,526
NET ASSETS		**75,061,073**	**36,288,465**
EQUITY			
Capital and reserves			
Share capital	14	2,000,000	2,000,000
Retained earnings		34,549,251	30,853,408
		36,549,251	32,853,408
Shareholders' current accounts	15	38,511,822	3,435,057
TOTAL EQUITY		**75,061,073**	**36,288,465**

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

These financial statements were approved on July 16, 2020 and signed by:

For Cerebra Integrated Technologies Limited (Shareholder) ....…..

Mr. Asit Ahuja Krishanlal Ahuja (Shareholder) …..

The attached notes 1 to 25 form part of these financial statements.

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Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF COMPREHENSIVE INCOME
As at March 31, 2020

	Notes	31.03.20 AED	31.03.19 AED
Sales	16	41,890,900	68,805,469
Cost of sales	17	(34,973,665)	(57,180,831)
Gross profit		6,917,235	11,624,638
Selling & general and administrative expenses	18	(2,887,135)	(3,066,458)
Depreciation		(23,935)	(13,532)
Finance charges		(310,322)	(581,367)
Net profit for the year		**3,695,843**	**7,963,281**

The attached notes 1 to 25 form part of these financial statements.

Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF CASH FLOWS
As at March 31, 2020

	31.03.20 AED	31.03.19 AED
OPERATING ACTIVITIES		
Net profit for the year	3,695,843	7,963,281
Adjustments for:		
Depreciation	23,935	13,532
Cash from (used in) operations before working capital changes	**3,719,778**	**7,976,813**
Trade accounts receivables	(11,205,512)	(7,792,949)
Inventory	(83,205)	-
Prepayments and other receivables	(880,415)	(930,574)
Deposit with banks	498,504	(166,726)
Trade accounts payables	3,713,773	1,136,547
Accruals and other payables	1,128,861	140,608
Net cash (used in) operating activities	**(3,108,216)**	**363,719**
INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(32,847,908)	(3,118)
Net cash (used in) investing activities	**(32,847,908)**	**(3,118)**
FINANCING ACTIVITIES		
Shareholders' capital accounts	-	1,900,000
Shareholders' current accounts	35,076,765	(1,618,321)
Loans and borrowings	1,124,738	(780,408)
Net cash (used in) financing activities	**36,201,503**	**(498,729)**
Increase / (decrease) in cash and cash equivalents	245,379	(138,128)
Cash and cash equivalents at the beginning of the year	75,279	213,407
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**320,658**	**75,279**

The attached notes 1 to 25 form part of these financial statements.

Cerebra Middle East FZCO, P.O Box: 341016
Dubai Silicon Oasis Authority, Dubai, U.A.E.
STATEMENT OF CHANGES IN EQUITY
As at March 31, 2020

	Share capital	Retained earnings/ (accumulated deficit)	Shareholders' current accounts	Total equity
	AED	AED	AED	AED
As on April 01, 2018	100,000	22,890,127	5,053,378	28,043,505
Funds introduced / (withdrawn), net	1,900,000	-	(1,618,321)	281,679
Transfer from statement of comprehensive income	-	7,963,281	-	7,963,281
As at March 31, 2019	2,000,000	30,853,408	3,435,057	36,288,465
Funds introduced / (withdrawn), net	-	-	35,076,765	35,076,765
Transfer from statement of comprehensive income	-	3,695,843	-	3,695,843
As at March 31, 2020	**2,000,000**	**34,549,251**	**38,511,822**	**75,061,073**

The attached notes 1 to 25 form part of these financial statements.

1 STATUS AND ACTIVITIES

Cerebra Middle East FZCO, Dubai (the "Company") is a Free Trade Zone Company with limited liability registered with the Dubai Silicon Oasis Authority, Government of Dubai, U.A.E under license no. 473 issued on April 05, 2011.

The names of the shareholders and their shareholding are as follows;

Name of the shareholders	Nationality	No. of Shares	% share	Value AED
Cerebra Integrated Technologies Limited	India	173	86.5%	1,730,000
Mr. Asit Ahuja Krishanlal Ahuja	India	20	10.0%	200,000
Le Mans Capital Limited, U.A.E	Dubai	7	3.5%	70,000

The Company is engaged in the business of computer equipment & requisites trading and computer software trading.

2 GOING CONCERN ASSUMPTION

These financial statements are prepared on a going concern basis, which assumes that the Company will continue to operate as a going concern for the foreseeable future.

3 APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

3.1 New and amended standards and interpretations effective for annual period beginning on or after 01 January, 2019

The Company applied IFRS 16 lease for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 16 leases

IFRS 16 supersedes IAS 17 leases, IFRIC 4 determining whether an arrangement contains a lease, SIC-15 Operating leases-Incentives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires Lessees to recognize most leases on the statement of financial position.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17.

Therefore, IFRS 16 does not have an impact for leases where the Company is the Lessor. The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 01 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of the initial application.

3 APPLICATION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS (Contd.)

3.1 New and amended standards and interpretations effective for annual period beginning on or after 01 January, 2019 (contd.)

The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 01 January 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying to IAS 17 and IFRIC 4 at the date of initial application.

The adoption of IFSR 16 does not have an impact on the financial statements of the Company.

Amendments to IFRS 9: Prepayment Features with Negative Compensation

Under, IFRS 9, a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI Criteria) and the instrument is held within the appropriate business model for that classification. The amendment to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the termination of the contract. These amendments had no impact on the financial statements of the Company.

Amendments to IAS 28: Long-term interests in associates and joint ventures

The amendments clarify that an Entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interest). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarified that, in applying IFRS 9, an Entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognized as adjustments to the net investment in the associate or joint venture that arises from applying IAS 28- Investments in Associates and Joint Ventures.

These amendments had no impact on the financial statements of the Company as the Company does not have long-term interest in its associate and joint venture.

3.2 Standards issued but not effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they be effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standards for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance cover Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of Entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features.

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4 SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the Company has been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board and applicable requirements of Dubai Silicon Oasis Authority.

It should be noted that accounting estimates and assumptions are used in preparing the financial statements. Although the estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

The following accounting policies, which comply with IFRS, have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies are consistent with those used in the previous year.

Accounting basis

The financial statements have been prepared under the accrual basis with the exception of staff end of service benefits, leave salary and air fare which are accounted for when paid.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivables.

The Company recognises revenue based on the five-step model, as set out in IFRS 15:

i) Identify the contract(s) with a customer: A contract is defined as an agreement between one or more parties that creates enforceable rights and obligations.

ii) Identify the performance obligations in the contract: A performance obligation is a promise in a contract to transfer a goods or bundle of goods or services to the customer.

iii) Determine the transaction price: Transaction price is the amount of consideration to which Company expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.

iv) Allocate the transaction price to the performance obligation in the contract.

v) The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously received and consumed all of the benefits provided by the Company as the Company performs: or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance obligation completed to date.

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4 SIGNIFICANT ACCOUNTING POLICIES (Contd..)

Revenue recognition (contd.)

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Company allocates the transaction price to the performance obligations in a contract based on the input method which require revenue recognition on the basis of the Company's effort or inputs to the satisfaction of the performance obligations.

Revenue is measured at fair market value of consideration received or receivable taking into account the contractually agreed terms of payment excluding taxes and duties. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent and has concluded that it is acting as a principal in all its revenue arrangements.

Property, plant and equipments

Fixed assets are depreciated on cost using straight line method at rates calculated to depreciate the assets concerned over their estimated useful lives.
All the fixed assets are depreciated at 20% per annum.

Accounts receivables

Accounts receivable balances are stated at original invoice amounts less a provision for any uncollectible amounts. An estimate of doubtful debts is made when collection of full amount is no longer probable.

Bad debts are written off as incurred.

Contract assets: Where the Company satisfies a performance obligation by delivering the promised goods and services, it creates a contract assets based on the amount of consideration earned by the performance.

Valuation of inventory

Inventories are stated at lower of cost or net realizable value, cost being determined on average basis. Cost includes purchase cost and other expenses incurred in bringing the inventory to their present location.

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank overdraft repayable on demand, bank current and call accounts, fixed deposits free from lien with original maturity date of three months or less from the date of deposit.

Financial instruments

Initial recognition and measurement

The Company recognises a financial asset or a financial liability in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. On initial recognition, the Company recognises all financial assets and financial liabilities at fair value.
The fair value of a financial asset or liability on initial recognition is normally represented by the transaction price.

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4 **SIGNIFICANT ACCOUNTING POLICIES (Contd..)**

Financial instruments

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their initial recognition. The Company classifies its financial assets in the following four categories:

1 Financial assets at fair value through profit or loss. This category has two sub categories:

a) Designated - Any financial asset that is designated on initial recognition as one to be measured at fair value with fair value changes in profit or loss.

b) Held for trading - All derivatives (except those designated hedging instruments) and financial assets acquired or held for the purpose of selling in the short term or for which there is recent pattern of short term profit taking are held for trading.

2 Available for sale financial assets (AFS) are any non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as loans and receivables, held to maturity investments or financial assets at fair value through profit or loss. AFS assets are measured at fair value in the statement of financial position. Fair value changes on AFS assets are recognised directly in equity, through the statement of changes in equity, except for interest on AFS assets, impairment losses and foreign exchange gains or losses. The cumulative gain or loss that was recognised in equity is recognised in profit or loss when an available for sale financial asset is derecognised.

3 Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than held for trading or designated on initial recognition as assets at fair value through profit or loss as available for sale. Loans and receivables are measured at amortised cost.

4 Held to maturity financial assets are non-derivative financial assets with fixed or determinable payments that a Company intends and is able to hold till maturity and that do not meet the definition of loans and receivables and are not designated on initial recognition as assets at fair value through profit or loss or as available for sale. Held to maturity investments are measured at amortised cost.

Value-added Tax (VAT)

Expenses, and assets are recognised net of amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the assets or as part of the expense item, as applicable; and/or
- When receivables and payables are stated with the amount of VAT included.

These net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the

4 SIGNIFICANT ACCOUNTING POLICIES (Contd..)

Leases (contd.)

arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the assets, even if that asset is or those assets are not explicitly specified in an arrangement.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and low value assets are recognized as expense on a straight line basis over the lease term.

In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

Borrowing costs

Borrowing costs are interest and other costs incurred by Company in connection with the borrowing of funds.

Under the allowed alternative treatment, borrowing costs that are directly attributable to the acquisition, construction or production of an asset are included in the cost of that asset. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Impairment and collectability of financial assets

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and an impairment loss is recognized for difference between the recoverable amount and the carrying amount. Impairment losses are recognized in the statement of comprehensive income.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flow from the asset expires; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Company. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

Accounts payable and accruals

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

Contract liability : The amount of consideration received from a customer exceeding the amount of revenue recognised, is recognised as a contract liability.

4 SIGNIFICANT ACCOUNTING POLICIES (Contd..)

Provision

A provision is recognized when the Company has an obligation, legal or constructive, arising from past event, and cost to settle the obligation are both probable and able to be reliably measured.

Contingent Liabilities/Assets

These are possible obligations whoes existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligations cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resource is considered remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Foreign currencies

Transactions in foreign currencies, if any, are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

5 TRADE ACCOUNTS RECEIVABLES

	31.03.20 AED	31.03.19 AED
Trade debtors	49,972,454	38,766,942
	49,972,454	**38,766,942**
The ageing of trade debtors is as follows:		
Less than 3 months	1,749,516	11,598,959
3 to 6 months	12,159,141	6,090,738
6 to 12 months	13,177,877	7,701,722
Above 12 months	22,885,920	13,375,523
	49,972,454	**38,766,942**

6 INVENTORY

	31.03.20 AED	31.03.19 AED
Materials-in-stock	272,117	188,912
	272,117	**188,912**

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7 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	31.03.20 AED	31.03.19 AED
Prepaid expenses	7,003	6,503
Deposits	64,298	62,298
Staff advances	-	15,000
Advance to supplier	4,120,342	3,222,340
Other receivables	3,231	8,318
	4,194,874	**3,314,459**

8 DEPOSITS WITH BANKS

	31.03.20 AED	31.03.19 AED
Margin deposits with Rak Bank, Dubai	124,106	622,610
	124,106	**622,610**

Deposits are kept under lien for facilities availed from the bank.

9 BANK BALANCES AND CASH

	31.03.20 AED	31.03.19 AED
Cash in hand	552	13,081
Cash at bank in current accounts	320,106	62,198
	320,658	**75,279**

10 PROPERTY, PLANT AND EQUIPMENTS (NET)

Please refer annexure - 1 (Page - 19)

11 LOANS AND BORROWINGS

	31.03.20 AED	31.03.19 AED
Term loans		
Medium term maturity:		
First Gulf Bank, Dubai	-	229,224
Abu Dhabi Commercial Bank, Dubai	-	64,522
National Bank of Fujairah, Dubai	125,000	-
ADCB, Dubai	72,694	-
	197,694	**293,746**
Current maturity:		
Term loan		
First Abu Dhabi Bank, Dubai	169,553	298,358
Abu Dhabi Commercial Bank, Dubai	22,714	160,479
National Bank of Fujairah, Dubai	250,000	-
ADCB, Dubai	243,534	-
Trade Facility		
First Abu Dhabi Bank, Dubai	993,826	-
	1,679,627	**458,837**

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11 **LOANS AND BORROWINGS (contd.)**

Term loans are secured by the following:

* Personal guarantee of Mr. Asit Ahuja, the Managing Director of the Company.
* Undated security cheques favouring Abu Dhabi Commercial Bank, Dubai amounting to AED 500,000/-.
* Undated security cheques favouring First Gulf Bank, Dubai amounting to AED. 1,200,000/-.

12 **TRADE ACCOUNTS PAYABLES**

	31.03.20 AED	**31.03.19 AED**
Trade creditors	9,446,825	5,733,052
	9,446,825	**5,733,052**
The ageing of trade creditors is as follows:		
Less than 3 months	3,085,625	4,616,136
3 to 6 months	1,598,902	169,837
6 to 12 months	-	692,509
More than 12 months	4,762,298	254,570
	9,446,825	**5,733,052**

13 **ACCRUALS AND OTHER PAYABLES**

	31.03.20 AED	**31.03.19 AED**
Accrued expenses	377,788	102,238
Advance from customers	991,983	133,353
Other payables	11,981	17,300
	1,381,752	**252,891**

14 **SHARE CAPITAL**

Authorized, issued and fully paid up share capital of the Company is AED. 2,000,000 divided into 200 shares of AED. 10,000/- each.

	31.03.20 AED	**31.03.19 AED**
Cerebra Integrated Technologies Limited, India	1,730,000	1,730,000
Mr. Asit Ahuja Krishanlal Ahuja	200,000	200,000
Le Mans Capital Limited, U.A.E	70,000	70,000
	2,000,000	**2,000,000**

15 **SHAREHOLDERS' CURRENT ACCOUNTS**

	31.03.20 AED	**31.03.19 AED**
Cerebra Integrated Technologies Limited, India	36,653,736	3,048,942
Mr. Asit Ahuja Krishanlal Ahuja	1,858,086	386,115
	38,511,822	**3,435,057**

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16 OPERATING INCOME

	31.03.20 AED	31.03.19 AED
Contract revenue	41,890,900	68,805,469
	41,890,900	**68,805,469**

Revenue expected to be recognised in future related to performance obligations that are unsatisfied (or partially unsatisfied) are as follows:

	31.03.20 AED	31.03.19 AED
Within one year	997,000	1,658,999
	997,000	**1,658,999**

17 COST OF SALES

	31.03.20 AED	31.03.19 AED
Materials consumed	34,973,665	57,180,831
	34,973,665	**57,180,831**

18 SELLING & GENERAL AND ADMINISTRATIVE EXPENSES

	31.03.20 AED	31.03.19 AED
Payroll and related expenses	2,043,530	1,910,712
Immigration and visa expenses	27,214	17,677
Rents paid	138,927	139,325
Postage, telephone & fax	91,258	76,315
Office supplies and printing charges	27,182	15,616
License fees and other related expenses	11,500	14,900
Professional charges	65,250	343,626
Travelling expenses	11,135	40,841
Insurance expenses	134,126	91,815
Discounts & commissions	138,636	293,567
Advertisement and business promotion expenses	33,570	59,668
Selling and distribution expenses	82,041	-
Bank charges	57,421	47,080
Others	25,345	15,316
	2,887,135	**3,066,458**

19 CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	31.03.20 AED	31.03.19 AED
Cheques discounted (First Abu Dhabi Bank, Dubai)	124,106	1,022,865
	124,106	**1,022,865**

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20 RISK MANAGEMENT

Liquidity risk

The Company limits its liquidity risk by ensuring that adequate funds are available.

Credit risk

The Company seeks to limit its credit risk by setting limits for individual customers and monitoring outstanding receivable balances. As at March 31, 2020 top five trade receivable balances represent 61.03% (previous year: 63%) of the total trade receivable balances outstanding.

The following table details the risk profile of trade receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not indicate different loss patterns of different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer base.

	2020 Gross AED	2020 Impairment %	2020 Impairment AED
Not past due/Current	809,786	0%	-
Past due 1-180days	13,098,871	0%	-
Past due 181-360 days	13,177,877	0%	-
Past due over 360 days	22,885,920	0%	-
	49,972,454		-

Management represents that all the receivable stated are fully recoverable.

Country-wise concentration of trade receivable balances are as follows:

Country	**31.03.20**	**31.03.19**
U.A.E.	58.78%	32.25%
India	12.59%	29.44%
Qatar	22.01%	36.56%
Others	6.61%	1.75%

Interest rate risk

The term deposits, banks and loans & borrowings with banks are at prevailing market rates. Other financial instruments and assets and liabilities of the Company as at the statement of financial position date are not interest based.

Supplier concentration risk

As March 31, 2020 top five trade payable balances represent 75.93% (previous year: top five 87%) of the total value of trade payable balances outstanding.

Country-wise concentration of trade payable balances are as follows:

Country	**31.03.20**	**31.03.19**
U.A.E.	90.32%	95.56%
Germany	2.51%	4.25%
India	2.66%	0.19%
Denmark	1.87%	-
Others	2.63%	-

20 **RISK MANAGEMENT (contd.)**

Exchange rate risk

Exchange rate risk, if any, in respect of foreign currency exposure is closely monitored by the Management.

21 **FAIR VALUES OF FINANCIAL INSTRUMENTS**

Financial instruments comprise financial assets, financial liabilities and equity instruments. Financial assets consist of inventories, trade accounts receivable balances, prepayments, deposits, staff advance and other receivables, deposits with banks and bank balances and cash.

Financial liabilities consist of accounts payable balances, loan and borrowings, accrued expenses and other payable balances. The fair values of financial instruments are not materially different from their carrying values.

22 **SIGNIFICANT EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus (the “COVID19 outbreak”) and the risks to the international community.

In March 2020, the WHO classified the COVID19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID19 outbreak continues to evolve as of the date of this report.

As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's financial condition, liquidity, and future results of operations.

Management is actively monitoring the global situation on its financial condition, liquidity position, operations and workforce. Given the daily evolution of the COVID19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effect of COVID 19 on its result of operations, financial condition or its liquidity for the year 2020. The shareholders are ready to contribute additional funds as and when it is necessary.

There were no other significant events occurring after the date of statement of financial position which require disclosure in the financial statements.

23 **NUMBER OF PERSONNEL**

There were twelve employees (previous year: twelve) as at the date of the statement of financial position.

24 In the opinion of the management all the assets shown in the financial statements are existing and realisable at the amounts shown against them and there are no liabilities against the company, contingent or otherwise, not included in the above financial statements.

25 **GENERAL**

a) The comparative figures as at March 31, 2019 have been reclassified wherever necessary to conform with the presentation of the current year. Such reclassification do not affect previously reported net profit or Shareholder's equity.

b) The figures in the financial statements are rounded to the nearest Dirham of United Arab Emirates.

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ANNEXURE-1

10 **PROPERTY, PLANT AND EQUIPMENTS (NET)**

Fixed assets are stated at cost, less accumulated depreciation as follows:

	Plant & Machinery	Office equipments AED	Furniture & fixtures AED	Total AED
Cost				
As at April 01, 2019	-	56,517	79,585	136,102
Additions	32,845,908	-	2,000	32,847,908
As at March 31, 2020	32,845,908	56,517	81,585	32,984,010
Depreciation				
As at April 01, 2019	-	30,797	46,516	77,313
Charge for the year	-	9,891	14,044	23,935
As at March 31, 2020	-	40,688	60,560	101,248
Net Book Value				
As at March 31, 2020	**32,845,908**	**15,829**	**21,025**	**32,882,762**
As at March 31, 2019	**-**	**25,720**	**33,069**	**58,789**

* Plant and machinery mentioned above are not yet used and hence not depreciatiated.