

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
MAXIMUS INTERNATIONAL LIMITED****Report on audit of Standalone Indian Accounting Standards (Ind AS) Financial Statements****Opinion**

We have audited the accompanying Standalone Ind AS financial statements of **Maximus International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows, the statement of changes in equity for the year ended and summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1.	The company has a substantial exposure in a subsidiary for investment and loan. The company has made Investment of Rs. 373.07 lakhs (AED 21.00 lakhs) and has given loan of Rs. 414.83 (AED 20.20 lakhs) in its wholly owned subsidiary Maximus Global	How the matter was addressed in our audit For the exposure in the Wholly Owned Subsidiary MGF and possible diminution / impairment in the same thereof: <ul style="list-style-type: none"> We have evaluated the relevant



	<p>FZE (hereinafter referred to as "MGF")</p> <p>The above exposure in MGF forms a substantial portion of the net worth of the company.</p> <p>Refer note no 6, 7 and 40 of financial statement.</p>	<p>agreements / statutory approvals / filings for the same;</p> <ul style="list-style-type: none"> • We have perused the audited financial statements of MGF to assess the diminution, if any, of the investment and recoverability of the loan as per agreed terms; • We have perused and taken on record the management's representation for the above related to the future business plans of MGF.
2.	<p>The major activity of the company consists of trading in goods and merchandise.</p> <p>The Company is mainly involved in trading of goods and merchandise for which no physical inventory is maintained and the same involves significant judgement on recognition of revenue based on transfer of risks and rewards.</p> <p>Refer note no 3.1(K) and 27 of financial statement.</p>	<p>How the matter was addressed in our audit</p> <p>We have obtained the detailed understanding and evaluated the policy and procedures followed by the company related to its trading sales which includes following:</p> <ul style="list-style-type: none"> • Procedures followed by the company for identification of vendors and customers; • Verification of the relevant purchase / sales orders / agreements and relevant communication entered into with the concerned parties; • Verification of related expenses (including taxes) related to the purchase / sales; • Verification of the related bank transactions for the above.

Information other than the standalone Ind AS Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and analysis, board's report including Annexure to Board's Report, Corporate Governance and Shareholder's information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 SAs 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 standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our works; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charges with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

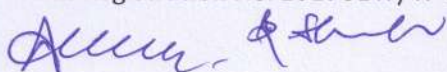


- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any managerial remuneration to its directors; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its the standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no such instances requiring transfer of any amounts to the Investor Education and Protection Fund by the Company

For C N K & Associates, LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036



Alok Shah
Partner
Membership No.042005
Place: Vadodara
Date: 29th June, 2020
UDIN: 20042005AAAAHH9590



Annexure - A to the Auditors' Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the standalone Ind AS Financial Statements for the year ended March 31, 2020.

1(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
1(b)	As informed to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets
1(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
2	<p>According to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable;</p> <p>In our opinion and according to the information and explanations given to us, no discrepancies were noticed on physical verification of the inventories. However, the company does not hold any inventories at the year end;</p>
3	As per the information and explanations given to us, the Company has granted unsecured loan to a wholly owned subsidiary company covered in the register maintained under section 189 of the Act;
3(a)	In our opinion , in respect of aforesaid loan, the terms and conditions under which such loans were granted are not prejudicial to the interest of the company;
3(b)	In our opinion, receipt of principal and Interest in case of aforesaid loans are as per the terms of agreement;
3(c)	There are no overdue amounts in respect of loans granted;
4	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made;
5	In our opinion and according to the information and explanations given to us, the Company has not accepted deposits and the compliance with the provisions of sections 73 to 76 of the companies Act, 2013 and the rules framed there under for the deposits accepted is not applicable to the company;
6	The Central Government has not prescribed the maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013;
7(a)	<p>According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax (GST), custom duty, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March, 2020, for a period of more than six months from the date they became payable;</p> <p>We are informed that the provisions relating to provident fund and employees' state insurance are not applicable to the company;</p>
7(b)	According to the information and explanations given to us and records examined by us, there are no dues of sales tax, income tax, customs, service tax, goods and service tax, excise duty, value added tax or cess, that has not been deposited on account of any dispute;



8	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowings to any financial Institution, banks or Government. Further, the company does not have any debentures issued or outstanding at any time during the year;
9	According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and term loans raised were applied for the purpose for which the loan were raised during the year;
10	During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management;
11	According to the information and explanations give to us and based on our examination of the records of the Company, the company has not paid any Managerial remuneration during the year and therefore this clause is not applicable to the company;
12	In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable;
13	According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards;
14	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under this clause is not applicable to the Company;
15	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;
16	According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For C N K & Associates, LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Alok Shah

Alok Shah

Partner

Membership No.042005

Place: Vadodara

Date: 29th June, 2020

UDIN: 20042005AAAAHH9590



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MAXIMUS INTERNATIONAL LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to the financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and



expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to the financial statements of the company and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For C N K & Associates, LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Alok Shah

Alok Shah

Partner

Membership No.042005

Place: Vadodara

Date: 29th June, 2020

UDIN: 20042005AAAAHH9590



MAXIMUS INTERNATIONAL LIMITED
CIN: L51900GJ2015PLC085474
BALANCE SHEET AS AT 31ST MARCH, 2020
All amounts are in Lakhs, unless otherwise stated

Sr. No.	Particulars	Note No	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
	ASSETS				
(1)	Non-current Assets				
	(a) Property, Plant and Equipment	4	130.90	173.35	279.86
	(b) Investment Property	5	187.08	93.07	-
	(c) Financial Assets				
	(i) Investments	6	605.92	620.64	162.84
	(ii) Loans	7	416.79	383.24	713.97
	(iii) Other Financial Assets	8	-	22.42	10.13
	(d) Other non-current Assets	9	0.20	0.20	2.45
(2)	Current Assets				
	(a) Financial Assets				
	(i) Trade receivables	10	3.69	271.18	229.16
	(ii) Cash and cash equivalents	11	2.54	51.51	87.73
	(iii) Bank balances other than (ii) above	12	9.30	15.94	23.22
	(iv) Loans	13	312.63	150.31	6.58
	(v) Other Financial Assets	14	19.57	85.33	48.97
	(b) Other current Assets	15	28.19	18.48	152.82
	Total Assets		1,716.81	1,885.69	1,717.73
(1)	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	16	1,257.20	1,257.20	628.60
	(b) Other Equity	17	211.34	133.96	672.48
	Total equity attributable to equity holders of the Company		1,468.54	1,391.16	1,301.08
	LIABILITIES				
(2)	Non-Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowing	18	48.45	32.60	41.35
	(ii) Other Financial liability	19	19.12	-	-
	(b) Deferred Tax Liability (Net)	20	7.43	8.79	6.66
(3)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowing	21	51.32	102.22	124.09
	(ii) Trade payables	22	-	-	-
	- total outstanding dues of micro enterprises and small enterprises		61.78	309.13	200.00
	- total outstanding dues of creditors other than micro enterprises and small enterprises		23.35	10.55	9.73
	(iii) Other financial liabilities	23	23.35	10.55	9.73
	(b) Other current liabilities	24	19.22	5.08	3.29
	(c) Provisions	25	0.87	0.66	0.41
	(d) Current Tax Liabilities (Net)	26	16.74	25.50	31.12
	Total Liabilities		248.27	494.53	416.65
	Total Equity and Liabilities		1,716.81	1,885.69	1,717.73

The accompanying notes are an integral part of the financial statements.

For CNK & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036
Alok Shah
Alok Shah
Partner
Membership No: 042005
Place: Vadodara
Date: 29th June, 2020



Miharkumar Naik
Miharkumar Naik
(Independent Director)
DIN: 08302107
Dharati Shah
Dharati Shah
(Company Secretary)

Jigisha Thakkar
Jigisha Thakkar
(Independent Director)
DIN: 08536332
Paresh Thakkar
Paresh Thakkar
(Chief Financial Officer)

Deepak Raval
Deepak Raval
(Chairman & Managing Director)
DIN: 01292764



Place: Vadodara
Date: 29th June, 2020

MAXIMUS INTERNATIONAL LIMITED

CIN: L51900GJ2015PLC085474

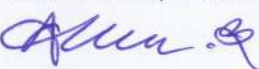
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

All amounts are in Lakhs, unless otherwise stated

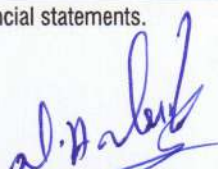
Sr. No.	Particulars	Note No.	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
	Revenue From Operations	27	498.64	4,586.28
	Other Income	28	104.09	80.10
	Total Income		602.73	4,666.38
	Expenses			
	Cost of materials consumed	29	384.37	4,410.45
	Employee benefits expense	30	36.16	29.28
	Finance costs	31	28.70	44.00
	Depreciation and amortization expense	4,5	22.13	15.70
	Other expenses	32	57.86	69.44
	Total expenses		529.22	4,568.87
	Profit before tax		73.51	97.51
	Tax expense:			
	(1) Current tax	34	19.43	24.92
	(2) Deferred tax	34	(2.70)	0.16
	Profit for the period		56.78	72.44
	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Equity instruments through other comprehensive income		18.11	18.96
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Equity instruments through other comprehensive income		(1.34)	(1.97)
	Total other comprehensive income		16.77	16.99
	Total comprehensive income for the period		73.55	89.42
	Earnings per equity share			
	(1) Basic	35	0.45	0.58
	(2) Diluted		0.45	0.58


The accompanying notes are an integral part of the financial statements.

 For CNK & Associates, LLP
 Chartered Accountants
 FRN: 101961W/W-100036


 Alok Shah
 Partner
 Membership No: 042005

 Place: Vadodara
 Date: 29th June, 2020


 Niharkumar Naik
 (Independent Director)
 DIN: 08302107


 Dharati Shah
 (Company Secretary)

For and on behalf of the Board of Directors


 Jigisha Thakkar
 (Independent Director)
 DIN: 08536332


 Paresh Thakkar
 (Chief Financial Officer)


 Deepak Raval
 (Chairman & Managing Director)
 DIN: 01292764

 Place: Vadodara
 Date: 29th June, 2020

MAXIMUS INTERNATIONAL LIMITED

CIN: L51900GJ2015PLC085474

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

All amounts are in Lakhs, unless otherwise stated

a. Equity Share Capital:

Particulars	Nos.	Rs. in lakhs
Equity Shares of Rs. 10/-each issued, subscribed and fully paid		
Balance as at April, 2018	62,86,000	628.60
Changes in equity share capital during 2018-19	62,86,000	628.60
Balance as at the 31 March 2019	1,25,72,000	1,257.20
Balance as at 1st April, 2019	1,25,72,000	1,257.20
Changes in equity share capital during 2019-20	-	-
Balance as at the 31 March 2020	1,25,72,000	1,257.20

b. Other Equity:

Particulars	Reserves and Surplus			Total Equity
	Securities Premium Account	Retained Earnings	Equity Instruments through Other Comprehensive Income	
As at 1st April, 2018	546.02	79.46	47.01	672.48
Profit for the year	-	72.44	-	72.44
Other comprehensive income for the year	-	-	17.65	17.65
Profit utilized for Issue of Bonus Equity Shares	(546.02)	(82.58)	-	(628.60)
Transfer to retained earnings of FVOCI equity investments, net of tax	-	0.66	(0.66)	-
As at 31st March, 2019	-	69.97	64.00	133.96
Profit for the year	-	56.78	-	56.78
Other comprehensive income for the year	-	-	18.11	18.11
Deductions during the year	-	-	2.48	2.48
Transfer to retained earnings of FVOCI equity investments, net of tax	-	3.83	(3.83)	-
As at 31st March, 2020	-	130.58	80.76	211.34

The accompanying notes are an integral part of the financial statements.

For CNK & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah
Alok Shah
Partner
Membership No: 042005



Place: Vadodara
Date: 29th June, 2020

Niharkumar Naik
Niharkumar Naik
(Independent Director)
DIN: 08302107

Dharati Shah
Dharati Shah
(Company Secretary)

For and on behalf of the Board of Directors

Jigisha Thakkar
Jigisha Thakkar
(Independent Director)
DIN: 08536332

Paresh Thakkar
Paresh Thakkar
(Chief Financial Officer)

Deepak Raval
Deepak Raval
(Chairman & Managing Director)
DIN: 01292764



Place: Vadodara
Date: 29th June, 2020

MAXIMUS INTERNATIONAL LIMITED

CIN: L51900GJ2015PLC085474

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

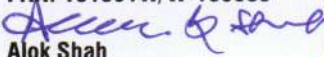
All amounts are in Lakhs, unless otherwise stated

Sr No.	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A	Cash flow from operating activities		
	Profit before exceptional items, prior period items and tax, minority Interest and Share in loss of associates:	73.51	97.51
	Adjustments for :		
	Depreciation and amortization expense	22.13	15.70
	Interest Income	(50.85)	(45.18)
	Dividend Income	(0.03)	(0.03)
	Rent Income	(10.11)	(5.40)
	Unrealized Exchange (gain) /loss	(24.72)	(22.58)
	Finance Cost	28.70	44.00
	Interest on Income tax	-	0.35
	Net Adjustments	(34.88)	(13.13)
	Operating profit before working capital changes	38.63	84.38
	Movements in working capital:		
	(Increase) / Decrease in trade receivables	267.08	(44.13)
	(Increase) / Decrease in loans	(162.60)	(143.73)
	(Increase) / Decrease in other financial assets	22.42	(12.29)
	(Increase) / Decrease in Other assets	(9.71)	134.59
	Increase / (Decrease) in Trade payables	(248.53)	109.96
	Increase / (Decrease) in Other liability	14.35	2.04
	Increase / (Decrease) in short term borrowings	(50.90)	(21.88)
	Cash generated from operations :	(129.27)	108.93
	Direct taxes paid (net)	28.63	31.00
	Net cash from operating activities (A)	(157.90)	77.93
B	Cash flow from investing activities		
	Proceeds/(purchase) from sale of investment	37.09	(438.06)
	Purchase of Property, plant and equipment's	(46.20)	(0.27)
	Dividend Income	0.03	0.03
	Interest received	116.49	10.13
	Rent received	10.23	4.09
	Increase/ (Decrease) in loans given	(6.94)	354.59
	Bank deposits	6.64	7.28
	Net cash (used) in Investing activities (B)	117.34	(62.22)
C	Cash flow from financing activities :		
	Receipt/(Payment) of long term borrowings	22.67	(7.93)
	Repayment of lease liabilities	(5.40)	-
	Finance cost	(25.68)	(44.00)
	Net cash (used) in financing activities (C)	(8.41)	(51.93)
	NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	(48.97)	(36.22)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR AS PER NOTE 11	51.51	87.73
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR AS PER NOTE 11	2.54	51.51

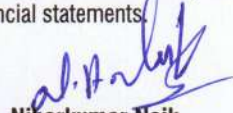
Notes: 1. The statement of cash flow is prepared in accordance with the format prescribed as per Ind AS 7.

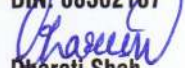
The accompanying notes are an integral part of the financial statements.

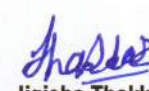
For CNK & Associates, LLP
 Chartered Accountants
 FRN: 101961W/W-100036


Alok Shah
 Partner
 Membership No: 042005

 Place: Vadodara
 Date: 29th June, 2020


Niharkumar Naik
 (Independent Director)
 DIN: 08302107


Dharati Shah
 (Company Secretary)


Jigisha Thakkar
 (Independent Director)
 DIN: 08536332


Paresh Thakkar
 (Chief Financial Officer)

For and on behalf of the Board of Directors

Deepak Raval
 (Chairman & Managing Director)
 DIN: 01292764

 Place: Vadodara
 Date: 29th June, 2020


MAXIMUS INTERNATIONAL LIMITED NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

1 Corporate Information

The Company was incorporated on 22.12.2015 as a subsidiary of Optimus Finance Limited. The equity shares of the company are listed on Bombay Stock Exchange. It is registered at Registrar of Companies, Ahmedabad. The registered address of the Company is 504A, 5th Floor, Ozone, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara-390003.

It is categorized as Company limited by Shares. Its primary activity classification is in Trading. The company presently is engaged in Trading of Oils and Chemicals.

2 Basis of Preparation

i Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements up to year ended March 31, 2019 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cash flows is provided in Note 44 of the financial statement.

ii Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value.

iii Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv Composition of Financial Statements

The financial statements are accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

3 Significant Accounting Policies and Other Explanatory Notes

3.1 Significant Accounting Policies

A Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading



- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

B Property, Plant and Equipment:

Recognition and measurement:

All items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss.

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is de-recognized.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on life and in the manner prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives of assets are as follows:

Asset	Useful Lives (Years)
Office buildings	60 years
Furniture and fixtures	8-10 years
Office equipment	5 years
Computer equipment	3-5 years
Vehicles	8 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Capital Work-in-Progress:

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

C Investment Property :

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property.



Recognition and measurement:

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Subsequent Expenditure:

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

De-Recognition:

When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Depreciation methods, estimated useful lives and residual value:

Investment properties are depreciated using straight-line method over their estimated useful lives.

D Impairment of Non financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible 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 assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E Inventories:

Inventories of the company consists of only Traded goods. Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a FIFO, after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The comparison of cost and net realizable value is made on an item-by-basis.

F Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Initial recognition, classification and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/ losses.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognized in Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gain/losses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the company has transferred substantially all the risks and rewards of the asset, or
 - (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortized cost e.g., loans, deposits, trade receivables and bank balance
- (b) Trade receivables or any contractual right to receive cash or another financial asset.

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Initial recognition and Measurement:

The Company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De - Recognition:

A financial liability is derecognized 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

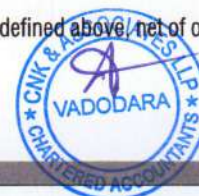
Off-setting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

G Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



H Cash Flow

Cash flows are reported using the Indirect Method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

I Cash dividend:

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

J Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K Revenue Recognition:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Sale of Traded Goods:

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

L Other Income:

i Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

ii Dividends :

Dividend income is recognized when the unconditional right to receive the income is established.

iii Export Benefits :

The benefits accrued under the duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme has been included under the head 'Other Income'.

Other income is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

M Employee benefits:

Employee benefits includes short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and Compensated absences.

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



N Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

O Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability approach temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

P Provisions and Contingent liabilities and contingent assets :**a) Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.



Q Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The lease income from operating leases is recognised on either a straight-line basis over the lease term or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, AS 19 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard modified retrospective approach to its leases.



S Segment reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, evaluates the Company's performance and allocates the resources based on an analysis of various performance. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

3.2 Use of Judgments, Estimates and Assumptions:

The preparation of the Company's separate financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Determination of the estimated useful life of tangible assets

Useful; life of tangible assets is based on the life prescribed in schedule II of the companies act, 2013. In cases, where the useful life are different from that prescribed in schedule II, they are based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

b. Taxes:

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

c. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financials instruments.

d. Impairment of financial assets:

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

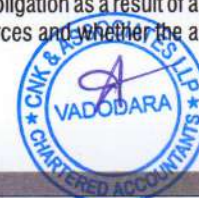
e. Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

f. Other Provisions:

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can e reliably estimated.



MAXIMUS INTERNATIONAL LIMITED

CIN: L51900GJ2015PLC085474

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

All amounts are in Lakhs, unless otherwise stated

4 Property, Plant & Equipment

Particulars	Building	Furniture and Fixture	Computer Equipment	Vehicle	Office Equipment	Right to Use Building #	Total
Gross carrying amount:							
Deemed cost As at 01-04-2018	187.33	32.82	0.10	58.14	1.47		279.86
Additions	-	2.00	0.11	0.16	-		2.27
Disposals	-	-	-	-	-		-
Regrouping	94.62	-	-	-	-		94.62
Gross carrying amount As at 31-03-2019	92.71	34.82	0.21	58.31	1.47		187.51
Additions	-	4.19	0.12	33.79	2.25	27.49	67.84
Disposals	-	-	-	-	-		-
Regrouping*	92.71	-	-	-	-		92.71
Gross carrying amount As at 31-03-2020	-	39.01	0.33	92.10	3.72	27.49	162.64
Accumulated Depreciation:							
Charge for the year	1.47	4.46	0.02	7.32	0.89		14.16
Other Adjustments	-	-	-	-	-		-
Closing accumulated depreciation As at 31-03-2019	1.47	4.46	0.02	7.32	0.89		14.16
Charge for the year	-	4.94	0.04	8.68	0.94	4.46	19.05
Other Adjustments*	1.47	-	-	-	-		1.47
Closing accumulated depreciation As at 31-03-2020	-	9.40	0.06	15.99	1.82	4.46	31.74
Net carrying amount:							
As at 31-03-2020	-	29.61	0.26	76.10	1.90	23.03	130.90
As at 31-03-2019	91.24	30.35	0.18	50.99	0.59	-	173.35
As at 01-04-2018	187.33	32.82	0.10	58.14	1.47	-	279.86

Notes:

(i) The Company has adopted Previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on April 1, 2018 as the Gross Block under Ind AS.

*During the year, company has rented out its office premises. The said office premises has been regrouped and classified as Investment property (As per Indian Accounting Standard -40, Investment Properties) as it is not intended to be occupied substantially for use by, or in the operations, of the company. The said property is accounted in accordance with Cost model prescribed in Indian Accounting Standard 16- Property, Plant and Equipment.

Refer note no. (37(a)(i))

5 Investment Property

Particulars	Building	Total
Gross carrying amount:		
Deemed cost As at 01-04-2018	-	-
Additions	-	-
Disposals	-	-
Regrouping	94.62	94.62
Gross carrying amount As at 31-03-2019	94.62	94.62
Regrouping*	92.71	92.71
Additions	5.85	5.85
Disposals	-	-
Gross carrying amount As at 31-03-2020	193.18	193.18
Accumulated Depreciation:		
Charge for the year	1.55	1.55
Closing accumulated depreciation As at 31-03-2019	1.55	1.55
Other Adjustments*	1.47	1.47
Charge for the year	3.09	3.09
Closing accumulated depreciation As at 31-03-2020	6.10	6.10
Net carrying amount:		
As at 31-03-2020	187.08	187.08
As at 31-03-2019	93.07	93.07
As at 01-04-2018	-	-

*During the year, company has rented out its office premises. The said office premises has been regrouped and classified as Investment property (As per Indian Accounting Standard -40, Investment Properties) as it is not intended to be occupied substantially for use by, or in the operations, of the company. The said property is accounted in accordance with Cost model prescribed in Indian Accounting Standard 16- Property, Plant and Equipment.



6 Investments

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
(a) Investments at fair value through other comprehensive income			
Investment in Equity Instruments (Quoted)			
Alok Industries Limited (2018-19 Units:50,000)	-	2.23	-
Vaksons Automobiles Limited (2018-19 Units: 2,00,000)	-	41.80	-
Diksat Transworld Limited (2019-20 Units: 1,68,000, 2018-19 Units: 1,75,500, 1.04.2018 Units: 1,41,000)	210.00	193.40	141.00
Grauer & Weil (India) Limited (2019-20 Units: 3,000, 2018-19 Units: 3,000, 1.04.2018 Units: 1,500)	1.02	1.48	0.83
Innovative Tyres & Tubes Limited (2019-20 Units: 6,000, 2018-19 Units 6,000, 1.04.2018 Units: 6,000)	0.38	1.49	2.31
	211.39	240.39	144.14
(b) Investment carried at Cost			
Investment in Subsidiaries			
Maximus Global FZE (Representing 100% equity share capital of subsidiary) (March 2020- 2100, March 2019- 2100, March 2018--100 equity shares of AED 1000 each fully paid up)	373.07	373.07	18.70
MX Africa Limited (Representing 100% equity share capital of subsidiary) (March 2020 - 30,000, April 2018 - 1000 equity shares of KES 100 each fully paid up)	21.45	7.18	-
	394.53	380.25	18.70
Total	605.92	620.64	162.84

7 Loans

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Unsecured, considered good			
Security Deposits	1.97	1.68	1.68
Loan to related party (Refer note no 40)	414.83	381.56	712.29
Total	416.79	383.24	713.97

8 Other Financial Assets

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Bank deposit with original maturity of more than 12 months *	-	22.42	10.13
Total	-	22.42	10.13

* Fixed deposit are with Bankers held as margin money deposit against Non fund based facilities.

9 Other non-current assets

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Capital Advances	-	-	2.00
Balance with Government Authority	0.20	0.20	0.45
Total	0.20	0.20	2.45

10 Trade Receivables

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured	3.69	271.18	229.16
Trade Receivable which have significant increase in credit risk	-	-	-
Trade Receivables credit impaired	-	-	-
Less : Expected Credit Loss Allowance	-	-	-
Total	3.69	271.18	229.16



11 Cash and cash equivalents

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Balances with banks			
In current accounts	0.83	50.52	85.75
Cash on Hand	1.71	0.99	1.98
Total	2.54	51.51	87.73

12 Bank balances other than Cash and cash equivalents

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Term deposits with original maturity for more than 3 months but less than 12 months*	9.30	15.94	23.22
Total	9.30	15.94	23.22

* Fixed deposit are with Bankers held as margin money deposit against Non fund based facilities.

13 Loans

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Unsecured, considered good			
Security Deposits	-	-	3.77
Inter Corporate Deposits (Refer note no 40)	312.63	150.31	2.81
Total	312.63	150.31	6.58

14 Other Financial Assets

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Interest accrued on deposits	15.57	81.21	46.16
Other Receivables	4.00	4.12	2.81
Total	19.57	85.33	48.97

15 Other Current Assets

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Unsecured considered good			
Advance to suppliers	6.82	0.76	127.98
Advance to employees	1.18	0.20	-
Expense paid in advance	2.09	0.86	1.10
Balances with government authorities	-	-	-
- GST Authorities	17.87	15.58	22.68
Duty Drawback receivable	0.23	1.09	1.06
Total	28.19	18.48	152.82

16 Share Capital

Authorized Equity Share Capital

Particulars	No. of Shares	Amount
At 01 April 2018	70,00,000	700.00
Increase /(decreased) during the year	60,00,000	600.00
At 31 March 2019	1,30,00,000	1,300.00
Increase /(decreased) during the year	-	-
At 31 March 2020	1,30,00,000	1,300.00



Issued Equity Share Capital

Particulars	No. of Shares	Amount
At 01 April 2018	62,86,000	628.60
Increase /(decreased) during the year	62,86,000	628.60
At 31 March 2019	1,25,72,000	1,257.20
Increase /(decreased) during the year	-	-
At 31 March 2020	1,25,72,000	1,257.20

(b) Terms & Rights attached to each class of shares;

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares allotted as fully paid-up (during 5 years preceding March 31, 2019)

In the Financial Year 2018-19, the company has allotted 62.86 lakhs equity shares as fully paid-up bonus shares in the ratio of 1:1 (i.e one Bonus shares for every share held) by capitalization of Security Premium account and Free reserves of Rs. 628.60 lakhs.

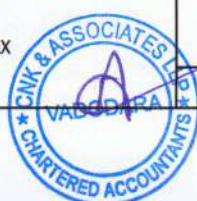
Shares held by shareholders each holding more than 5% of the shares

Shareholders	Number of Shares		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Equity shares with voting rights			
Optimus Finance Limited - Holding Company	79,99,988	79,99,988	36,99,994
Percentage(%)	63.63%	63.63%	58.86%

17 Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Securities Premium	-	-	546.02
Equity Instruments through Other Comprehensive Income	80.76	64.00	47.01
Retained Earnings	130.58	69.97	79.46
Total	211.34	133.96	672.48

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Securities Premium			
As per last Balance Sheet	-	546.02	546.02
Utilized for Issue of Bonus Equity Shares	-	(546.02)	-
	-	-	546.02
Equity Instruments through Other Comprehensive Income			
As per last Balance Sheet	64.00	47.01	47.01
Additions during the year	18.11	17.65	-
Less: Deductions	2.48	-	-
Transfer of (gain)/loss on FVOCI equity investments	(3.83)	(0.66)	-
	80.76	64.00	47.01
Retained Earnings			
Profit for the year as per Statement of Profit and Loss	69.97	79.46	41.13
Profit utilized for Issue of Bonus Equity Shares	56.78	72.44	38.32
Profit utilized for Issue of Bonus Equity Shares	-	(82.58)	-
Transfer to retained earnings of FVOCI equity investments, net of tax	3.83	0.66	-
	130.58	69.97	79.46



18 Borrowing

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Secured - at amortized cost			
Term Loan - car loans			
From Banks	46.65	30.80	41.35
Security Deposits	1.80	1.80	-
Total	48.45	32.60	41.35

The car loans are bearing Interest rate of 8.81% to 9.50% and are payable by way of monthly installment for 60 months.

19 Other Financial Liability

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Lease Liability (Refer note no. 37(a)(i))	19.12	-	-
Total	19.12	-	-

20 Deferred Tax Liability (Net)

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
(a) Deferred tax liabilities			
Related to Property Plant and Equipment's	-	2.44	2.31
Financial Asset at Fair Value Through other comprehensive income	7.94	6.60	4.63
(b) Deferred tax assets			
Related to Property Plant and Equipment's	0.24	-	-
Pre-incorporation expenses	0.08	0.09	0.17
Disallowance under sec 43B	0.20	0.17	0.11
Total (a-b)	7.43	8.79	6.66

21 Borrowing

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st March, 2018
Secured - at amortized cost			
Loan repayable on demand			
Cash Credit Facilities from Banks (Refer below note)	51.32	102.22	124.09
Total	51.32	102.22	124.09

The above cash credit facilities are primarily secured by first charge by way of hypothecation of stocks of traded material and book debts of the company. They are further secured by way of an equitable mortgage on following properties of the company, promoter and their relatives and guarantee of Optimus Finance Limited- Holding company and also personal guarantee of some of the directors and promoters of the company. The average rate of interest for above loan is 11.25%

List of Properties offered as equitable mortgage:

(1) RM of commercial office no. 301 situated in scheme known as Atlantis Heritage located on land bearing R. S no. 54-A/1 paiki, C. S. no. 383 of village wadi wadi, Dist. Vadodara. Property is owned by the company.

(2) RM charge on flat no. B/202 in scheme known as Neptune Trinity located on land bearing R. S no. 54-A/1 paiki, C. S. no. 383 of village Wadi Wadi, dist. Vadodara. Property is owned by the company.



22 Trade Payables

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises (Refer note no 39)	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	61.78	309.13	200.00
Total	61.78	309.13	200.00

23 Other Financial Liabilities

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Current maturities of long -term debts	17.36	10.55	9.73
Lease Liability (Refer note no. 37(a)(i))	5.99	-	-
Total	23.35	10.55	9.73

24 Other Current Liabilities

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Advance from Customers	13.73	-	-
Statutory dues payable	0.54	0.69	0.41
Salary and wages payable	2.79	2.46	2.05
Other Payables	2.16	1.93	0.83
Total	19.22	5.08	3.29

25 Provisions

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Provision for employee benefits			
Provision for Bonus Payable	0.87	0.66	0.41
Total	0.87	0.66	0.41

26 Current Tax Liabilities

Particulars	As on 31st March, 2020	As on 31st March, 2019	As on 1st April, 2018
Provision for Income Tax (Net of Advance Tax)	16.74	25.50	31.12
Total	16.74	25.50	31.12

27 Revenue from Operations

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Sale of Traded Goods		
Base Oil	498.64	4586.28
Total	498.64	4586.28



28 Other Income

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Interest Income (refer 28 (i))	50.85	45.18
Income from operating leases (Refer note no. 37 (b)(i))	10.11	5.40
Exchange gain on foreign currency translations(net)	41.16	26.40
Duty Drawback Income	1.92	3.09
Dividend Income	0.03	0.03
Discount Income	0.02	-
Total	104.09	80.10

28(i) Interest Income comprises:

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Interest Income comprises: (measured at amortised cost)		
Interest on Fixed deposits with Banks	0.36	3.20
Interest on Inter- Corporate deposits	50.49	41.98
Total	50.85	45.18

29 Cost of Raw Material Consumed

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Purchase of Traded Goods		
Base Oil	384.37	4410.45
Total	384.37	4410.45

30 Employee benefits expense

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Salaries, Wages and Bonus	33.76	29.28
Staff Welfare Expenses	2.40	-
Total	36.16	29.28

31 Finance costs

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Interest Cost:		
Interest on borrowings	19.36	15.13
Interest on Lease Liabilities (Refer note no. 37(a)(i))	3.02	-
Other borrowing costs	6.32	28.87
Total	28.70	44.00



32 Other Expenses

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Advertisement Expenses	0.78	0.48
Power and Fuel	0.71	0.64
Repairs & Maintenance expenses	0.80	0.87
Office Rent*	0.00	5.40
Legal and Professional Fees	28.72	30.21
Auditor's Remuneration (Refer below note)	1.16	1.29
Traveling Expenses	5.12	5.64
Insurance Expenses	1.88	1.50
Freight and forwarding charges	6.50	11.03
Donation	0.54	0.30
Rates and Taxes	0.42	0.80
Miscellaneous Expense	11.24	11.27
Total	57.86	69.44

* Amount less than Rupees one Thousand

Notes: Auditor's Remuneration

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Payments to the auditors comprises :		
Statutory audit	0.50	0.50
Tax audit	0.13	0.13
Tax Matters	0.14	0.14
Certification Fees	0.40	0.53
Total	1.16	1.29

33 Contingent Liabilities and Capital Commitments

Particulars	March 31, 2020	March 31, 2019	April 1, 2018
(a) Contingent Liabilities :			
Bank Guarantee	-	0.95	-
Bank Guarantees issued by bank on behalf of Company			
(b) Capital Commitments			
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	4.46
Advances paid for the same	-	-	2.00
Total	-	0.95	6.46



34 Taxes Reconciliation

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
(a) Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	19.43	24.92
	19.43	24.92
<i>Deferred tax</i>		
	(2.70)	0.16
	(2.70)	0.16
	16.73	25.07
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before income tax expense	73.51	97.51
Tax at the Indian tax rate of 22.88% (2018-19 – 26%)	16.82	25.35
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Income considered separately	0.36	0.18
Non-deductible tax expenses (Disallowances u/s 14A, 43B, Capital Expenditure etc.)*	0.77	(0.00)
Depreciation	(0.55)	(0.49)
Others	(0.66)	0.02
Income Tax Expense	16.73	25.07

* Amount less than Rupees one Thousand

35 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	March 31, 2020	March 31, 2019
Profit after Tax available for equity shareholders	56.78	72.44
Weighted number of equity shares before bonus issue(Nos.)	-	62,86,000
Add : Bonus Issue made during the year(Nos.)	-	62,86,000
Total Nos of Equity shares outstanding during the year	1,25,72,000	1,25,72,000
Par value per share (Rs.)	10.00	10.00
Basic/Diluted earnings per share	0.45	0.58

Note: In the Financial Year 2018-19, the company has allotted 62.86 lakhs equity shares as fully paid-up bonus shares in the ratio of 1:1. Accordingly the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. Thus the EPS of the company for the previous year is restated after considering the bonus issue of Equity shares.

36 Segment Information

The segment information is presented under the Notes forming part of Consolidated Financial Statements as required under the Indian Accounting Standards - 108 on "Operating Segment".

37 Leases

(a) Finance Leases

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases applying the standard modified retrospective approach to its leases. Company measure lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.



(i) As Lessee
Maturity Analysis of Lease Liabilities

Rs. In Lakhs

Maturity Analysis - Contractual undiscounted Cash Flows	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Less than one year	5.99	-
One to five years	28.73	-
More than five years	-	-
Total Undiscounted Lease Liabilities	34.72	-
Lease Liabilities included in the Statement of Financial Position		
Non Current	19.12	-
Current	5.99	-
Total	25.11	-

Amount Recognized in the Statement of Profit & Loss

Rs. In Lakhs

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Interest on Lease Liabilities	3.02	-
Depreciation on Lease Asset	4.46	-

Amount Recognized in the Statement of Cash Flow

Particulars	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Total Cash out flow for leases	5.40	-

(b) Operating Leases

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019. As per Ind AS 116 the lease is classified as an operating lease by the lessor if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

(i) Company as a Lessor

The Company has given office premise under operating lease. These are generally non-cancellable and renewable by mutual consent on mutually agreed terms.

Future minimum rentals receivable under operating leases as at 31st March are, as follows:

Particular	March 31, 2020
Future lease rental Receipts	
Payable not later than 1 year	7.78
Payable not later than 1 year and not more than 2 years	8.17
Payable not later than 2 year and not more than 3 years	8.58
Payable not later than 3 year and not more than 4 years	3.65
Total	28.18

Investment property

Lease payment recognized in the statement of profit & loss during the year is Rs.	10.11
Direct Operating expense from property that generated rental income	0.72
Depreciation	3.09
Profit from Investment Property	6.30

Particular	March 31, 2020
Fair value of Investment Properties	231.17
Total	231.17



38 Related party Disclosures:

A Names of the related parties and description of relationship

1) List of Related Parties

Name of Related Party	Nature of Relation
Sukruti Infratech Private Limited	Ultimate Holding Company
Optimus Finance Limited	Holding Company
Maximus Global FZE	Subsidiary Company
MX Africa Limited	Subsidiary Company
Quantum Lubricants (E.A.) Limited	Step Subsidiary Company (from 01.12.2019)
Maximus Lubricants LLC (Formerly known as Pacific Lubricants LLC)	Step Subsidiary Company (from 01.01.2020)
Deepak V Raval	Chairman and Managing Director
Paresh P Thakkar	Chief Financial Officer
Dharati V Shah	Company Secretary
Mansi Desai	Director (up to 13.08.2019)
Niharkumar Naik	Director
Vinay Pandya	Director (from 12.04.2019)
Jigisha Thakkar	Director (from 13.08.2019)
Vikesh Jain	Director (Up to 26.12.2018)
Anand Muely	Director (from 20.11.2019)
Murali Krishnamoorthy	Director (Up to 12.04.2019)

B Particulars of Transactions with Related Parties

Particulars	Amount (₹)	
	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Salary Expense		
-Dharati Shah	3.36	2.72
Rent Income		
-Optimus Finance Limited	1.20	1.20
-Sukruti Infratech Private Limited	0.12	0.12
Interest Income		
-Maximus Global FZE	32.37	30.54
Interest expense		
-Optimus Finance Limited	0.24	-
-Sukruti Infratech Private Limited	5.84	-
Director Sitting Fees		
- Mansi Desai	0.06	0.15
- Niharkuma Naik	0.15	0.09
- Vikesh Jain	-	0.03
- Vinay Pandya	0.12	-
- Jigisha Thakkar	0.06	-
Purchase of Goods		
- Pacific Lubricant LLC	-	37.62
Sale of Goods		
- Pacific Lubricant LLC	57.52	65.87
- Quantum Lubricants (E.A.) Limited	112.16	-
Bonus shares issued to Holding company (face value Rs. 10 each/-)		
-Optimus Finance Limited	-	370.00
Share issued during the year		
-MX Africa, Limited	14.28	7.18



The following balances were outstanding at the end of the reporting period:

Particulars	Amounts Owed to related parties as at	
	For the year Ended on 31st March, 2020	For the year Ended on 31st March, 2019
Receivables		
- Pacific Lubricant LLC	-	19.64
- Quantum Lubricants (E.A.) Ltd	0.80	-
-MX Africa Limited	0.33	-
Payable		
- Pacific Lubricant LLC	13.73	-
Loan Receivable		
-Maximus Global FZE	414.83	381.56
Rent receivable		
-Optimus Finance Limited	1.20	2.90
-Sukruti Infratech Private Limited	0.12	0.29
Other payable		
-Optimus Finance Limited	0.05	-
-Sukruti Infratech Private Limited	0.28	-
Salary Payable		
-Dharati Shah	0.30	0.24

Note: Related parties have been identified by the Management.

39 Disclosure related to Micro and Small Enterprises

Note 1: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Outstanding dues to micro, small and medium enterprises

Particulars	As on 31st March, 2020	As on 31st March, 2019
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

40 Disclosure as per section 186 (4) of companies Act,2013

The company has given deposits to following parties and the outstanding balances are as under:

Name of party	As on 31st March, 2020	As on 31st March, 2019
Maximus Global FZE	414.83	381.56
Escape India Private Limited	60.23	53.23
Motorol Lubricants Limited	-	96.77
Quebec petroleum Resources Limited	50.27	-
West Coast Oil	201.81	-
Scenic Hospitality Private Limited	0.31	0.31

The above loan has been given for meeting of its working capital requirement.



41 Fair Value Measurements

Financial instruments by category

Particulars	As at March 31, 2020			As at March 31, 2019			As at April 1, 2018		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets									
Investments									
- Equity Instruments	-	211.39	394.53	-	240.39	380.25	-	144.14	18.70
Trade Receivables	-	-	3.69	-	-	271.18	-	-	229.16
Cash and Cash Equivalents	-	-	2.54	-	-	51.51	-	-	87.73
Bank Balances other than above	-	-	9.30	-	-	15.94	-	-	23.22
Loan	-	-	729.42	-	-	533.56	-	-	720.55
Other Financial Assets	-	-	19.57	-	-	85.33	-	-	48.97
Total Financial Assets	-	211.39	1,159.05	-	240.39	1,337.78	-	144.14	1,128.33
Financial Liabilities									
Borrowings	-	-	99.77	-	-	134.82	-	-	165.44
Trade payables	-	-	61.78	-	-	309.13	-	-	200.00
Other financial liabilities	-	-	23.35	-	-	10.55	-	-	9.73
Total Financial Liabilities	-	-	184.90	-	-	454.49	-	-	375.17

(I) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level follows underneath the table.

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVOCI					
Equity Instruments	6	211.39	-	-	211.39
Total Financial Assets		211.39	-	-	211.39
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVOCI					
Equity Instruments	6	240.39	-	-	240.39
Total Financial Assets		240.39	-	-	240.39
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at April 1, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVOCI					
Equity Instruments	6	144.14	-	-	144.14
Total Financial Assets		144.14	-	-	144.14
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis.

The carrying amount of trade receivables, cash and cash equivalents loan, trade payables, borrowings and other financial liabilities are considered to be the same as their fair value, due to their short-term nature.



42 FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(A) Credit risk

Credit risk is the risk of financial loss to the company if customers or counter party to a financial instruments fails to meet its contractual obligations and arises principally from the company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants the credit terms in the normal course of business. The company establishes an allowance for doubtful debts and impairment that represents its estimates of current losses in respect of trade and other receivables.

(i) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Maturities of financial liabilities

The tables herewith analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for: The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.




Contractual maturities of financial liabilities

Particulars	Less than 1 year	More than 1 year	Total
As at March 31, 2020			
Non-derivatives			
Borrowing	51.32	48.45	99.77
Trade payables	61.78	-	61.78
Other financial liabilities	23.35	19.12	42.48
Total Non-derivative liabilities	136.44	67.58	204.02
As at March 31, 2019			
Non-derivatives			
Borrowing	102.22	32.60	134.82
Trade payables	309.13	-	309.13
Other financial liabilities	10.55	-	10.55
Total Non-derivative liabilities	421.89	32.60	454.49
As at April 1, 2018			
Non-derivatives			
Borrowing	124.09	41.35	165.44
Trade payables	200.00	-	200.00
Other financial liabilities	9.73	-	9.73
Total Non-derivative liabilities	333.82	41.35	375.17

(C) Market Risk

(i) Price Risk

The company is mainly exposed to the price risk due to its investments in equity instrument. The price risk arises due to uncertainties about the future market values of these investments. The above instruments risk are arises due to uncertainties about the future market values of these investments.

Management Policy

The company maintains its portfolio in accordance with the framework set by the Risk management Policies. Any new investment or divestment must be approved by the board of directors, chief financials officer and Risk Management committee.

(ii) Currency Risk

Currency Risk is the risk that the value of financial instrument will fluctuate due to changes in foreign exchange rates. Foreign Currency risk arise majorly on account of export sales, import purchase, and foreign loan given. The company's foreign currency exposures are managed in accordance with its foreign exchange risk management policy and are regularly reviewed by the company.

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

Currency	As at 31st March, 2020		As at 31st March, 2019	
	Trade receivable and other Receivable	Loan Given	Trade receivable and other Receivable	Loan Given
USD (in lakhs)	0.05	20.20	2.25	20.20
AED (in lakhs)				
Equivalent INR (In lakhs) of USD	3.69	414.83	155.96	381.56
Equivalent INR (In lakhs) of AED				

Currency	As at 31st March, 2020	As at 31st March, 2019
Particulars	Trade payable	Trade payable
USD (in lakhs)	0.49	0.33
Equivalent INR (In lakhs) of USD	37.30	22.78

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

Particulars	Impact on profit after tax	
	31-Mar-20	31-Mar-19
USD sensitivity		
INR/USD increases by 5%	(1.68)	6.66
INR/USD decreases by 5%	1.68	(6.66)
AED sensitivity		
INR/AED increases by 5%	20.74	19.08
INR/AED decreases by 5%	(20.74)	(19.08)



43 CAPITAL MANAGEMENT

Risk management

For the purpose of the company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimize returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders value. The Company funds its operation through internal accruals. The management and Board of Directors monitor the return on capital.

44 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards

Transition to Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 3.1 have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of an opening Ind AS balance sheet at April 1, 2018 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied by the Company in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) and investment property as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities (if any).

Accordingly, the Company has elected to measure all of its PPE and Investment Property at their previous GAAP carrying value.

A.1.2 Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at Fair Value through Other Comprehensive Income (FVOCI) on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

A.1.3 Investment in subsidiary

If a first time adopter measures investments in subsidiary at cost in accordance with Ind AS 27, Ind AS 101 allows the entity to measure such investments at one of the following amounts in its separate opening Ind AS Balance Sheet (a) Cost determined in accordance with Ind AS 27: or (b) Deemed cost. The deemed cost of such an investment shall be its: (i) fair value at the entity's date of transition to Ind AS in its separate financial statements: or (ii) previous GAAP carrying amount at that date. The above options can be selected each investment wise. Accordingly the company has elected to measure investment in its subsidiary at their previous GAAP carrying value.

A.2 Ind AS Mandatory Exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



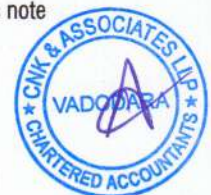
B Reconciliations between previous GAAP and Ind AS

The following tables represent the reconciliations of Balance Sheet, Total Equity, Total Comprehensive Income, and Cash Flows from previous GAAP to Ind AS.

I. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at April 1, 2018

Particulars	Notes to First time adoption	Amount as per IGAAP *	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		279.86	-	279.86
(b) Financial Assets				
(i) Investments	1	111.21	51.64	162.84
(ii) Loan		713.97	-	713.97
(iii) Other Financial Asset		10.13	-	10.13
(c) Other non current assets		2.45	-	2.45
Current assets				
(a) Financial Assets				
(i) Trade receivables		229.16	-	229.16
(ii) Cash and cash equivalents		87.73	-	87.73
(iii) Bank balances other than cash and cash equivalents		23.22	-	23.22
(iv) Loans		6.58	-	6.58
(v) Other Financial Asset		48.97	-	48.97
(b) Other current assets		152.82	-	152.82
Total Assets		1,666.09	51.64	1,717.73
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		628.60	-	628.60
(b) Other Equity	2	625.47	47.01	672.48
Total equity attributable to equity holders of the Company		1,254.07	47.01	1,301.08
LIABILITIES				
Non-Current liabilities				
(a) Financial Liability				
(i) Borrowing		41.35	-	41.35
(b) Deferred Tax Liability (Net)	3	2.03	4.63	6.66
Current liabilities				
(a) Financial Liabilities				
(i) Borrowing		124.09	-	124.09
(ii) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		200.00	-	200.00
(iii) Other financial liabilities		9.73	-	9.73
(b) Other current liabilities		3.29	-	3.29
(c) Provisions		0.41	-	0.41
(d) Current Tax Liabilities (Net)		31.12	-	31.12
Total Liabilities		412.02	4.63	416.65
Total Equity and Liabilities		1,666.09	51.64	1,717.73

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note



II. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at March 31, 2019

Particulars	Notes to First time adoption	Amount as per IGAAP *	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		173.35	-	173.35
(b) Investment Property		93.07	-	93.07
(c) Financial Assets				
(i) Investments	1	550.04	70.60	620.64
(ii) Loans		383.24	-	383.24
(iii) Other Financial Asset		22.42	-	22.42
(d) Other non current assets		0.20	-	0.20
Current assets				
(a) Financial Assets				
(i) Trade receivables		271.18	-	271.18
(ii) Cash and cash equivalents		51.51	-	51.51
(iii) Bank balances other than (ii) above		15.94	-	15.94
(iv) Loans		150.31	-	150.31
(v) Other Financial Asset		85.33	-	85.33
(b) Other current assets		18.48	-	18.48
Total Assets		1,815.09	70.60	1,885.69
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		1,257.20	-	1,257.20
(b) Other Equity	2	69.97	64.00	133.96
Total equity attributable to equity holders of the Company		1,327.17	64.00	1,391.16
LIABILITIES				
Non-Current liabilities				
(a) Financial Liability Borrowing		32.60	-	32.60
(b) deferred Tax Liability (Net)	3	2.19	6.60	8.79
Current liabilities				
(a) Financial Liabilities				
(i) Borrowing		102.22	-	102.22
(ii) Trade payables		309.13	-	309.13
(iii) Other financial liabilities		10.55	-	10.55
(b) Other current liabilities		5.08	-	5.08
(c) Provisions		0.66	-	0.66
(d) Current Tax Liabilities (Net)		25.50	-	25.50
Total Liabilities		487.92	6.60	494.52
Total Equity and Liabilities		1,815.09	70.60	1,885.69

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note



III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

Particulars	Notes to First time adoption	Amount as per IGAAP *	Effects of transition to Ind AS	Amount as per Ind AS
Revenue From Operations		4,586.28	-	4,586.28
Other Income		80.87	(0.77)	80.10
Total Income		4,667.15	(0.77)	4,666.38
EXPENSES				
Cost of materials consumed		4,410.45	-	4,410.45
Employee benefits expense		29.28	-	29.28
Finance costs		44.00	-	44.00
Depreciation and amortization expense		15.70	-	15.70
Other expenses		69.44	-	69.44
Total expenses		4,568.87	-	4,568.87
Profit before tax		98.28	(0.77)	97.51
Tax expense:				
(1) Current tax		25.03	(0.12)	24.92
(2) Deferred tax		0.16	-	0.16
Profit for the period		73.09	(0.66)	72.44
Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss				
- Equity instruments through other comprehensive income		-	18.96	18.96
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Equity instruments through other comprehensive income		-	(1.97)	(1.97)
Total other comprehensive income		-	16.99	16.99
Total comprehensive income for the period		73.09	16.33	89.42

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

IV. The Company does not have a significant impact on the Cash flow statement as on 31 March 2019.

V. Reconciliation of Equity as on 31 March 2019 and 1 April 2018

Net worth as per Previous GAAP	Note Ref	March 31, 2019	April 1, 2018
Net worth as per previous GAAP		1,327.17	1,254.07
Equity Instruments through Other Comprehensive Income	1	70.60	51.64
Impact of Deferred tax	3	(6.60)	(4.63)
Total Impact		64.00	47.01
Net worth as per Ind AS		1,391.16	1,301.08

C Notes to First time adoption

1 Fair valuation of investments

Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost less diminution in the value which is other than temporary. In accordance with Ind AS, financial assets representing investment in equity shares of entities have been fair valued. The company has designated investments as at fair value through other comprehensive income as permitted by Ind AS 109 resulting in increase in carrying amount by Rs. 70.60 lakhs as at 31 March, 2019 and by Rs. 51.64 lakhs as at 1 April, 2018. The Corresponding deferred taxes have also been recognized as at 31 March, 2019 (Rs.6.60) lakhs and as at 1 April, 2018 (Rs. 4.63) lakhs.

2 Retained Earnings

Retained earnings as at April 1, 2018 has been adjusted consequent to the above Ind AS adjustments.

3 Deferred tax

Deferred tax have been recognized on the adjustments made on transition to Ind AS.



- 45 The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements and expects to recover the carrying amount of inventories, receivables and other assets. The Company does not foresee any material impact on liquidity and assumption of going concern.
- 46 The standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 29th June, 2020. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.
- 47 The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

For CNK & Associates, LLP
Chartered Accountants
FRN: 101961W/W-100036



Alok Shah
Partner
Membership No: 042005

Place: Vadodara
Date: 29th June, 2020


Niharkumar Naik
(Independent Director)
DIN: 08302107


Dharati Shah
(Company Secretary)


Jigisha Thakkar
(Independent Director)
DIN: 08536332


Paresh Thakkar
(Chief Financial Officer)

For and on behalf of the Board of Directors


Deepak Raval
(Chairman & Managing Director)
DIN: 01292764



Place: Vadodara
Date: 29th June, 2020

**MAXIMUS GLOBAL FZE
SHARJAH, UAE**

**Standalone Financial Statements
for the year ended March 31, 2020**

**MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH**

STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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Independent Auditor's Report
To the shareholders of Maximus Global FZE, Sharjah, UAE

Report on the audit of standalone financial statements

Opinion

We have audited the standalone financial statements of Maximus Global FZE, which comprise the statement of financial position as at **31st March, 2020** and the statement of profit or loss and other comprehensive income, statement of changes in head office funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the financial position of the Company as at **31st March, 2020** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the Company's standalone financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the standalone financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of standalone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Independent Auditor's Report
To the shareholders of Maximus Global FZE, Sharjah, UAE

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report

To the shareholders of Maximus Global FZE, Sharjah, UAE

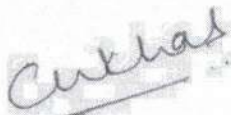
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further, we report that:

- The Company has maintained proper books of account;
- We have obtained all the information and explanations we considered necessary for the purposes of our audit;
- The financial statements have been prepared and comply, in all material respects, with the International Financial Reporting Standards.
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31st March, 2020 any of the provisions of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31st March, 2020.

For and on behalf of
CNK HUSSAIN ALSAYEGH
Chartered Accountants
Registration No: 82



Date: June 21, 2020
Dubai, UAE



MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

STATEMENT OF STANDALONE FINANCIAL POSITION AS AT 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	Note	Audited as at 31st March, 2020	Audited as at 31st March, 2019
ASSETS			
NON CURRENT ASSETS			
Investment in associate		-	695,301
Investment in subsidiary	4	695,301	-
Loan receivable from subsidiary	5	4,388,342	4,188,531
TOTAL NON CURRENT ASSETS		5,083,643	4,883,832
CURRENT ASSETS			
Cash & cash equivalents	6	262,904	260,670
Inventory	7	-	105
Trade & other receivables	8	523,983	885,269
Deposits, prepayments & advances	9	1,969,625	401,799
Due from related parties	10	260,334	463,340
TOTAL CURRENT ASSETS		3,016,846	2,011,182
TOTAL ASSETS		8,100,489	6,895,014
EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY			
Equity share capital		2,100,000	2,100,000
Retained earnings		2,818,401	1,876,106
TOTAL SHAREHOLDERS' EQUITY		4,918,401	3,976,106
CURRENT LIABILITIES			
Trade & other payables	11	23,076	155,148
Advance from customers	12	1,084,688	357,560
TOTAL CURRENT LIABILITIES		1,107,764	512,708
NON CURRENT LIABILITIES			
Due to related parties	13	2,068,024	2,399,900
End of service benefits	14	6,300	6,300
TOTAL NON CURRENT LIABILITIES		2,074,324	2,406,200
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		8,100,489	6,895,014

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

For
MAXIMUS GLOBAL FZE, SHARJAH

DIPAK RAVAL
DIRECTOR



ANIRUDDH GANDHI
DIRECTOR


MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

STATEMENT OF STANDALONE COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

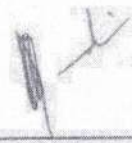
	Note	2019-20	2018-19
Revenue	15	7,957,749	6,029,477
Cost of revenue	16	(6,914,181)	(4,773,243)
Gross profit / (loss)		1,043,568	1,256,234
Other income	17	283,126	410,599
Operating Expenses:			
Administration & general expenses	18	(197,013)	(216,131)
Finance cost	19	(187,386)	(194,645)
		(384,399)	(410,776)
Profit/(Loss) for the year		942,295	1,256,057
Total comprehensive income for the year		942,295	1,256,057

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

For
MAXIMUS GLOBAL FZE, SHARJAH


DIPAK RAVAL
DIRECTOR




ANIRUDDH GANDHI
DIRECTOR

MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	2019-20	2018-19
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) for the year	942,295	1,256,057
<u>Adjustments for:</u>		
Provision for end of service benefits	-	6,300
Finance cost	187,386	194,645
Operating cash flow before changes in net operating assets	1,129,681	1,457,002
<u>(Increase)/Decrease in Current Assets</u>		
Inventory	105	(105)
Trade & other receivables	361,285	(691,806)
Due from related party	203,006	(463,340)
Deposits, prepayments & advances	(1,567,826)	(384,674)
<u>Increase/(Decrease) in Current Liabilities</u>		
Trade & other payables	(132,072)	87,697
Advance from customers	727,128	320,612
Due to related parties	-	(1,341)
Net cash flow from/(used in) operating activities	721,307	324,045
CASH FLOWS FROM INVESTING ACTIVITIES		
(Addition)/Disposal in Investment in associate	-	-
Net cash flow from/(used in) investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(Decrease) in loan from subsidiary	(199,811)	(59,032)
Increase/(Decrease) in due to related party	(331,876)	(1,867,191)
Increase/(Decrease) in equity share capital	-	2,000,000
Finance cost	(187,386)	(194,645)
Net cash flow from/(used in) financing activities	(719,073)	(120,868)
Net increase/(decrease) in cash and cash equivalents	2,234	203,177
Cash and cash equivalents at beginning of the year	260,670	57,493
CASH & CASH EQUIVALENTS AT END OF THE YEAR	262,904	260,670

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

For
MAXIMUS GLOBAL FZE, SHARJAH

DIPAK RAVAL
DIRECTOR



ANIRUDDH GANDHI
DIRECTOR

MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

STATEMENT OF STANDALONE CHANGES IN EQUITY FUNDS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

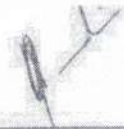
	Equity share capital	Share Application money pending allotment	Retained Earnings	Total
Balance as at 1 st April, 2018	100,000	-	620,049	720,049
Additions/payments during the year	-	2,000,000	-	2,000,000
Transfer during the year	2,000,000	(2,000,000)	-	-
Net profit/(loss) for the year	-	-	1,256,057	1,256,057
Balance as at 31st March, 2019	2,100,000	-	1,876,106	3,976,106
Balance as at 1 st April, 2019	2,100,000	-	1,876,106	3,976,106
Additions/payments during the year	-	-	-	-
Transfer during the year	-	-	-	-
Net profit/(loss) for the year	-	-	942,295	942,295
Balance as at 31st March, 2020	2,100,000	-	2,818,401	4,918,401

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

For
MAXIMUS GLOBAL FZE, SHARJAH



DIPAK RAVAL
DIRECTOR

ANIRUDDH GANDHI
DIRECTOR

MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

1 STATUS AND ACTIVITIES

Maximus Global FZE is a Free Zone Establishment company formed and registered with the Hamriyah Free Zone Authority, Sharjah, UAE vide License No: 15708. The license has been granted on 2nd April, 2017. The registered address of the company is P1-ELOB, Office No: E-27F-25, Hamriyah Free Zone - Sharjah, United Arab Emirates. The company is licensed to engage in the business of import or export or trading of bitumen, lubricants and grease, petrochemicals, chemicals and agro products.

On 2nd of April 2017 (at inception), equity shares of AED 25,000 (25 shares of AED 1,000 each) were issued to Maximus International Ltd. against registration and company formation expenses. On 19th of April, 2017, Maximus International Ltd. introduced additional equity share capital of AED 75,000 (75 shares of AED 1,000 each).

On 1st April, 2018, shareholders agreed to convert a part of loan from shareholders, amounting to AED 2 million, to equity share capital. On 12th August 2018, the shares were allotted and issued. The equity share capital as on 30th December 2017 is as follows:

Shareholder	Nationality	No of Shares	Amount	%
Maximus International Ltd.	India	100	2,100,000	100%
		100	2,100,000	100%

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ('IFRSs')

New standards, amendments and interpretations effective from January 1, 2019

The following new and revised IFRSs are issued and effective from January 1, 2019. The application of these new and revised IFRSs does not have any material impact in prior years but may affect the accounting in current and for future transactions or arrangements.

IFRS 16 Leases

IFRS 16 provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Amendments to IFRS 9 Financial Instruments

Amendments relating to prepayment features with negative compensation. This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Amendments to IAS 19 Employee Benefits:

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company continues utilize exemption give for United Arab Emirates for application of IAS 19 and provides for gratuity provision on the actual basis rather on actuarial basis.

Amendments in IAS 28 Investments in Associates and Joint Ventures

Amendments relating to long-term interests in associates and joint ventures. These amendments clarify that an entity applies IFRS 9 Financial instruments to long-term interests in an associates or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company has no investment in any other company.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

Annual Improvements to IFRS 2014-2017 Cycle to address uncertainty over Income Tax Treatment.

Annual Improvements to IFRS 2015-2017 to clarify the treatment of specific borrowing after the related qualifying asset is ready for Its Intended use or sale.

Other than the above, there are no other significant IFRS and amendments that were effective for the first time for the financial year beginning on or after January 1, 2019.

New standards and significant amendments to standards applicable to the Company

*Effective for
periods
beginning on or
after*

Amendments to References to the Conceptual Framework In IFRS Standards - amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.

January 1, 2020

The United Kingdom Financial Conduct Authority ('FCA'), which regulates the London Interbank Offered Rate ('LIBOR'), announced that the interest benchmark would cease after 2021. LIBOR is one of the most common sources of benchmark Interest rates. LIBOR reforms and expectation of cessation of LIBOR may impact the Company's current risk management strategy and possibly accounting for certain financial instruments.

January 1, 2020

Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the company.

3.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and under accrual system of accounting. The accounting policies have been consistently applied by the establishment during the period under review.

3.3 REVENUE RECOGNITION

IFRS 15 'Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

Revenue from contracts with customers

Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control- at a point in time or over time - requires judgement.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in IFRS 15:



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

- Step 1:** Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2:** Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good to the customer.
- Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties.
- Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5:** Recognize revenue when (or as) the entity satisfies a performance obligation.

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

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

When the Company satisfies a performance obligation by delivering the promised goods, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

3.4 PROPERTY, PLANT AND EQUIPMENT

During the year, the company does not own any property, plant and equipment.

3.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balance and cash at bank.

3.6 PROVISIONS

Provisions are recognized when the company has a present obligation as a result of past event & it is probable that the outflow of resources will be required to settle the obligation.

3.7 INVENTORIES

Inventories are valued at the Lower of Cost and net realizable value. Cost include those expenses incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimate of the selling price less any further costs expected to be incurred to completion and disposal.

3.8 FOREIGN CURRENCY

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these are dealt with the statement of comprehensive income.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

3.9 CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF UNCERTAINTY ESTIMATION

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates & assumptions that affect the application of accounting policies & the carrying amounts of assets, liabilities, income & expenses. The estimates & associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates & underlying assumptions are reviewed on a going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current & future periods.

3.10 Impact of COVID-19 (Global pandemic)

The outbreak of the COVID-19 pandemic has caused worldwide significant financial and economic impact on all industries and sectors of the economy. On March 11, 2020, the World Health Organization ("WHO") officially declared COVID-19 a global pandemic.

The company is licensed to engage in the business of import or export or trading of bitumen, lubricants and grease, petrochemicals, chemicals and agro products. From Company's continuous assessment of latest COVID-19 impacts on business activities for the Oil and lubricants industry like of Manufacturing, Trading, and supply chain, it is concluded by the management that their activities are not significantly affected by nationwide lockdowns and restrictions imposed by various governments in an attempt to curb COVID-19. Consequently, company's revenue will also not get affected, significantly due to COVID-19 pandemic after reporting date.

3.11 LEASES

Policy applicable from January 1, 2019

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 account for all leases under a single balance sheet model.

The company adopted IFRS 16 using the practical expedient with effect from the date of April 01, 2019. The company also elected to use the recognition exemptions for lease contracts at the commencement date for leases having term of 12 months or less and for lease contracts for which the underlying asset is of low value.

Lease payments not recognized as liability and right of use asset as on date of initial application:

The Company has elected not to recognize a lease liability and right of use assets for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Amount
Short term leases	-
Leases of low value assets	-
	<u>-</u>

4 INVESTMENT IN SUBSIDIARY

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Investment in subsidiary	695,301	-
	<u>695,301</u>	<u>-</u>

Investment in subsidiary represents Investment in equity shares of Maximus Lubricants LLC (previously 'Pacific Lubricants LLC'). The Investment is carried at cost.



**MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH**

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)**

As per agreement entered between Maximus Global FZE (The Company) and other shareholder of Maximus Lubricants LLC, dated January 1, 2020, the company has been given discretionary powers to take decisions on composition of board, operational matters, administrative issues etc.

Basis the above, the company fulfils the following conditions of IFRS 10 for the establishment of substantial control.

A. Power over the investee (see paragraphs 10–14 of IFRS 10);

B. Exposure, or rights, to variable returns from its involvement with the investee (see paragraphs 15 and 16 of IFRS 10); and

C. The ability to use its power over the investee to affect the amount of the investor's returns (see paragraphs 17 and 18 of IFRS 10).

Hence, basis the above, Maximus Lubricants LLC is considered a subsidiary of Maximus Global FZE from January 1, 2020, on grounds of establishment of substantial control as per IFRS 10 and accordingly the company has consolidated MLL into its Consolidated Financial Statements as on March 31, 2020.

5 LOAN RECEIVABLE FROM SUBSIDIARY	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Loan to Maximus Lubricants LLC (Previously 'Pacific Lubricants LLC')	4,388,342	4,188,531
	<u>4,388,342</u>	<u>4,188,531</u>

As per addendum, to the original memorandum of understanding, dated 13th October 2019, management mutually agreed that the repayment of loan receivable from Maximus Lubricants LLC, along with 5% interest accrued quarterly, shall begin from 1st April, 2023.

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against loan receivable from subsidiary and concluded that there was no material impact on the interim condensed financial statements. The company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for loan receivable from subsidiary. The revised impairment methodology has not resulted in any credit loss in loan receivable from subsidiary.

6 CASH & CASH EQUIVALENTS	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Cash in hand	1,819	5,360
Balances with banks	261,085	255,309
	<u>262,904</u>	<u>260,670</u>

7 INVENTORY	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Inventory	-	105
	<u>-</u>	<u>105</u>

8 TRADE & OTHER RECEIVABLES	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Accounts receivables	269,869	884,360
Other receivables	254,114	909
	<u>523,983</u>	<u>885,269</u>



MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

8 TRADE & OTHER RECEIVABLES (Continued...)

Debtors ageing is given as under:

Debts between 0 - 180 days	231,896	798,341
Debts between 181 - 365 days	204,703	4,560
Debts due more than a year	87,384	82,368
	<u>523,983</u>	<u>885,269</u>

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against trade and other receivable and concluded that there was no material impact on the financial statements. The company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all trade and other receivables. The revised impairment methodology has not resulted in any credit loss in trade receivables.

9 DEPOSITS, PREPAYMENTS & ADVANCES

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Deposits	1,500	18,585
Prepayments	25,252	-
Advances	1,942,873	383,214
	<u>1,969,625</u>	<u>401,799</u>

10 DUE FROM RELATED PARTIES

The Company, in the ordinary course of its business, enters into trading and financing transactions with concerns which fall within the definition of "related party" as contained in International Accounting Standard 24. The balances due to/from such parties, which have been disclosed separately in the financial statements, are unsecured and repayable on demand. The management believes that the terms of the trading transactions are not materially different from those that could have been obtained from unrelated parties.

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Related party balances are as under:		
Maximus Lubricants LLC (Previously 'Pacific Lubricants LLC')	214,396	463,340
MX Africa	45,938	-
	<u>260,334</u>	<u>463,340</u>
Age wise analysis:		
Debts between 0 - 180 days	45,938	-
Debts between 181 - 365 days	-	-
Debts due more than a year	214,396	463,340
	<u>260,334</u>	<u>463,340</u>

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against due from related parties and concluded that there was no material impact on the interim condensed financial statements. The company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for due from related parties. The revised impairment methodology has not resulted in any credit loss in due from related parties.

11 TRADE & OTHER PAYABLES

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Other payables & provision	20,076	152,148
Accrued expenses	3,000	3,000
	<u>23,076</u>	<u>155,148</u>



MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
12 ADVANCE FROM CUSTOMERS		
Advance from customers	1,084,688	357,560
	<u>1,084,688</u>	<u>357,560</u>

13 DUE TO RELATED PARTIES

The Company, in the ordinary course of its business, enters into trading and financing transactions with concerns which fall within the definition of "related party" as contained in International Accounting Standard 24. The balances due to/from such parties, which have been disclosed separately in the financial statements, are unsecured and repayable on demand. The management believes that the terms of the trading transactions are not materially different from those that could have been obtained from unrelated parties.

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Related party balances are as under:		
Loan from Maximus International Ltd. (Shareholder)	2,032,284	2,021,872
Interest on loan from Maximus International Ltd	35,740	378,028
	<u>2,068,024</u>	<u>2,399,900</u>
Current portion	-	-
Non current portion	2,068,024	2,399,900
	<u>2,068,024</u>	<u>2,399,900</u>

The Loan from Maximus International Ltd represents loan from shareholder @ 8.50% interest per annum received from the shareholder in normal course of business. As per addendum, dated 13th October 2019, to original memorandum of understanding dated 15th April 2017, the repayment of loan and interest accrued shall commence after 1st April, 2023.

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
14 END OF SERVICE BENEFITS		
Opening balance	6,300	-
Provision made during the year	-	6,300
Less: Paid during the year	-	-
	<u>6,300</u>	<u>6,300</u>

	2019-20	2018-19
15 REVENUE		
Sales	7,967,264	6,043,207
Less: Sales return	(9,515)	(13,730)
	<u>7,957,749</u>	<u>6,029,477</u>

	2019-20	2018-19
16 COST OF REVENUE		
Opening Stock	105	-
Add: Purchases	5,673,049	4,766,566
Add: Direct expenses	1,241,027	6,782
Less: Closing stock	-	(105)
	<u>6,914,181</u>	<u>4,773,243</u>



MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	2019-20	2018-19
17 OTHER INCOME		
Freight	58,315	181,913
Interest income	199,811	203,234
Sales Commission - Direct	25,000	25,452
	283,126	410,599
18 ADMINISTRATION & GENERAL EXPENSES		
Travelling & conveyance	15,498	4,483
Freight, clearing and forwarding expenses	78,993	52,789
Salary and staff welfare expenses	6,149	65,367
License fees	25,249	25,250
Legal & professional fees	5,400	34,370
Miscellaneous expenses	14,558	-
Foreign exchange loss	17,854	-
Telephone expense	33,312	23,082
Office expenses	-	10,790
	197,013	216,131
19 FINANCE COST		
Bank charges	17,530	22,649
Interest on loan from related party	169,856	171,997
	187,386	194,645

20 FINANCIAL INSTRUMENTS

Financial instruments means financial assets, financial liabilities and equity instruments. Financial assets of the Company includes cash and cash equivalents, loan receivable from subsidiary, trade and other receivables, deposits and due from related party, investment in subsidiary and investment in associates. Financial liabilities includes Trade and other payables, advance to customers and due to related parties.

The management believes that the fair value of the financial assets and liabilities are not significantly different from their carrying amounts at balance sheet date.

The main risk arising from the Company financial instruments are Currency Risk, Credit Risk and Interest Rate Risk.

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Financial Instruments by category		
Financial Assets		
Trade & other receivables	523,983	885,269
Investment in associate	-	695,301
Investment in subsidiary	695,301	-
Deposits	1,500	18,585
Cash & cash equivalents	262,904	260,670
Due from related parties	260,334	463,340
Loan receivable from subsidiary	4,388,342	4,188,531
Financial Liabilities		
Trade & other payables	23,076	155,148
Due to related parties	2,068,024	2,399,900
Advance from customers	1,084,688	357,560



**MAXIMUS GLOBAL FZE
HAMRIYAH FREE ZONE, SHARJAH**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

20 FINANCIAL INSTRUMENTS (Continued...)

a. Currency Risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company's major exposure is in United States Dollar and Arab Emirates Dirhams. Hence currency risk is low.

Currency Risk Management

The majority of the transactions and balances are in either UAE dirham or United States Dollars and as the two currencies are pegged, the currency risk is maintained at low.

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial Assets, which potentially expose the establishment to credit risk, comprise mainly of bank Accounts and Accounts receivable.

Credit Risk Management

Company manages credit risk with respect to receivables from customers by monitoring in accordance with defined policies and procedures. Credit risk is limited to the carrying value of financial assets in the balance sheet.

The company applies IFRS 9 simplified approach to measure expected credit losses which uses expected credit loss allowance for all its trade receivables. The company seeks to limit its credit risk by dealing with reputable banks and independently rated parties with a minimum of investment grade ratings.

c. Interest rate risk

The company does not have any short term or long term borrowings from banks or other financial institutions during the quarter. However, the company has loans from related party at fixed 8.5% interest per annum and hence interest rate risk is present.

Interest rate risk management

The company does have loans with related parties. However, the interest rate is fixed and not subject to any modification due to inflation. Hence, Interest rate risk is not significant.

21 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after the balance sheet date, which require disclosure in the financial statements.

22 COMPARATIVE FIGURES:

Comparative figures for the previous period have been regrouped and reclassified, wherever necessary to conform to the current period presentation.

23 ROUNDING OFF


The figures in these interim condensed financial statements have been rounded off to the nearest Arab Emirates Dirhams (AED).

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

For
MAXIMUS GLOBAL FZE, SHARJAH


DIPAK RAVAL
DIRECTOR




ANIRUDDH GANDHI
DIRECTOR

MX AFRICA LIMITED
COMPANY INFORMATION

REGISTERED OFFICE

L. R . NO. 1870/II/236 The Pride Rock
NO.6, Donyo Sabuk Avenue
Off General Mathenge Drive
P.O.Box 69952 - 00400
Nairobi, Kenya.

DIRECTORS

Dipak Vrajlal Raval
Mr.Murali Krishnamoorthy
Aniruddh Gandhi (Appointed 17/09/2019)

COMPANY SECRETARY

Mr Jophece Yogo
P.O Box 69952 - 00400
Nairobi.

AUDITORS

Moore JVB LLP
Certified Public Accountants (K)
P.O Box 69952 - 00400
Nairobi.

BANKERS

Stanbic Bank
Nairobi

MX AFRICA LIMITED
DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements of the Company for the year ended 31st March, 2020.

PRINCIPAL ACTIVITIES

The principal activity of the company is import and wholesale of various lubricants and oils.

RESULTS FOR THE YEAR

The company results for the period are as shown on page 6.

The company net loss for the period of Kshs. 737,989/= (2019: Kshs 986,267) has been transferred to Retained earnings

DIVIDENDS

The directors do not recommend the payment of dividends.

DIRECTORS

The directors who served office during the year and to the date of this report were:-

Dipak Vrajlal Raval

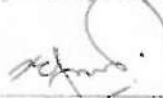
Mr.Murali Krishnamoorthy

Anirudh Gandhi (Appointed 17/09/2019)

AUDITORS

Moore JVB LLP., the Company's auditors and have indicated willingness to continue in office in accordance with section 159(2) of the Kenyan Companies Act (CAP 486).

By order of the board



Director



Director

Date: 25/06/ 2020

MX AFRICA LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the group maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the group. The directors are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for:

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 31st March 2020 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act.

The directors have reviewed the company's cash flow forecast for the year to March 31, 2020 and, in the light of this review and the current financial position, they are satisfied that the Company has or has access to adequate resources to continue in operational existence for the foreseeable future.

Approved by the board of directors on 25/06/20 2020 and signed on its behalf by:

Director _____



Director _____

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MX Africa Limited

Opinion

We have audited the Financial Statements of MX Africa Limited set out on pages 6 to 14, which comprise the Statement of Financial Position as at 31 March, 2020, and the Statement of Profit or Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view, in all material respects, the financial position of MX Africa Limited as at 31 March, 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the *International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code)* and other independence requirements applicable to performing audits of financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial statements of the current period. These matters were addressed in the context of our audit of the Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter(s) described in the Material uncertainty related to going concern section, we have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Kenyan Companies Act, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

Report on Other Legal Requirements

As required by the Kenyan Companies Act we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Joy V. Bhatt - Practicing certificate No. P992.



Moore JVB LLP
Certified Public Accountants (K)

Nairobi.

Date: 25/06/2020

MX AFRICA LIMITED
 COMPANY STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDING 31 MARCH 2020

	<i>Notes</i>	2020 Kshs.	2019 Kshs.
Administrative expenses	3	(660,383)	(949,358)
Loss from operations		(660,383)	(949,358)
Finance costs	4	(77,606)	(36,909)
Loss before tax		(737,989)	(986,267)
Loss for the year attributable to the owners of the company		(737,989)	(986,267)
Total comprehensive income/(loss) for the year attributable to the owners of the		(737,989)	(986,267)

Note:

The notes on page 10 to 14 form part of these financial statements.

MX AFRICA LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING 31 MARCH 2020

	<i>Notes</i>	Share capital	Accumulated losses	Total
		Kshs.	Kshs.	Kshs.
Issue of share capital		100,000	-	100,000
Net loss for the period		-	(986,267)	(986,267)
At 31 March 2019		100,000	(986,267)	(886,267)
As at 1st April 2019	11	100,000	(986,267)	(886,267)
Issue of share capital and Share application monies	11	2,933,340		2,933,340
Net loss for the year			(737,989)	(737,989)
At 31 March 2020		3,033,340	(1,724,256)	322,817

MX AFRICA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST March 2020

	Notes	2020 Kshs.	2019 Kshs.
ASSETS			
Current Assets			
Trade and other receivables	6	22,584	22,584
Cash in Hand and at bank	7	256,340	31,089
		278,924	53,673
Non Current Assets			
Investment in Subsidiary	13	26,137,500	-
		26,137,500	-
TOTAL ASSETS		26,416,424	53,673
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	8	23,744,202	35,000
Directors Account	9	10,000	-
		23,754,202	35,000
Non Current Liabilities			
Amounts due to related party	10	1,353,138	904,940
		1,353,138	904,940
Equity			
Issued Capital	11	1,000,000	100,000
Share Application Monies	11	2,033,340	-
Accumulated losses		(1,724,256)	(986,267)
		1,309,084	(886,267)
TOTAL EQUITY & LIABILITIES		26,416,424	53,673

The financial statements on pages 1 to 14 were approved for issue by the board of directors on 25/06/2020 and were signed on their behalf by:


Director



Director

MX AFRICA LIMITED
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDING 31 MARCH 2020

	2020 Kshs.	2019 Kshs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(737,989)	(986,267)
Operating (Loss)/Profit before working capital changes	(737,989)	(986,267)
<i>Changes in operating assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	-	(22,589)
Increase/(decrease) in directors account	10,000	-
Increase/(decrease) in trade and other payables	24,157,400	939,945
Cash generated (used)/from operations	23,429,411	(68,911)
Net cash (used)/ from operating activities	23,429,411	(68,911)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Subsidiary	(26,137,500)	-
Net cash used in investing activities	(26,137,500)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issue of share capital	900,000	100,000
Issue of Share Application monies	2,033,340	-
Net cash from /used)in financing activities	2,933,340	100,000
Net increase / (decrease) in cash and cash equivalents	225,251	31,089
Cash and cash equivalent at beginning of year (Note 13)	31,089	-
Cash and cash equivalent at end of year (Note 13)	256,340	31,089

GENERAL INFORMATION

MX Africa Limited is incorporated and domiciled in Kenya under the Kenyan Companies Act as a private company limited by shares. The address of its registered office and principal place of business is L. R. No. 1870/II/236 The Pride Rock, No. 6 Donyo Sabuk Avenue, P.O Box 69952 - 00400, Nairobi. The principal activity of the company is wholesale and retail of all types of lubricants and oils.

BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Kenya Shillings(Kshs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below:

a Revenue recognition

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and VAT.

b Impairment of tangible assets

At each balance sheet date, the company reviews the carrying amount of its tangible 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 the impairment loss (if any).

The recoverable amount represents the greater of the net selling price and the value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognised in income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

c Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

1 **ACCOUNTING POLICIES (continued)**

d **Impairment of non-financial assets**

At each reporting date, property, plant and equipment, investment property, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

e **Leasehold land**

Leasehold land is amortised over the period of the lease.

f **Translation of foreign currencies**

Transactions in foreign currencies during the year are converted into Kenya Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which expressed in foreign currencies are translated into Kenya shilling at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the profit and loss account in the year in which they arise.

g **Borrowing costs**

All borrowing costs are recognised in net profit or loss for the period in which they are incurred.

h **Cash and Cash equivalents**

These comprise cash on hand and at bank, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to and insignificant risk of changes in value.

i **Financial assets**

Investments in quoted shares are initially recognised at the transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the reporting date.

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

j **Financial liabilities**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are initially recognised at the transaction price (including transaction costs).

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

MX AFRICA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020

1 ACCOUNTING POLICIES (continued)

k Share capital, share premium and dividends

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of the par value are classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

l Provision

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation.

m Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

n Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

o Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profits defer from net profit as reported in the income statement as it is adjusted in accordance with the Kenyan Income Tax Act. The company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on the differences between the carrying amounts of the assets and the liabilities in the financial statements on the corresponding tax bases used in the computation of the taxable profit (known as temporary differences), and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profits in the future and only to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authorities and an entity within the company intends to settle its current tax assets and liabilities on a net basis.

p Receivables

Receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off in the year in which they are identified.

q Employee benefits - post-employment benefits

The company and its employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to profit or loss in the year to which they relate.

MX AFRICA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying company's accounting policies. At present there appear to be no estimates or management judgements as the company is still in its infant stages.

3 ADMINISTRATIVE EXPENSES

Employment:

	2020 Kshs	2019 Kshs
Salaries and wages	-	622,207
<i>Total employment costs</i>	-	622,207

Other administration costs:

Auditors remuneration	70,000	25,000
Legal & Professional fees	91,227	159,492
Accountancy fees	-	10,000
General Expenses	-	90,000
Printing & Stationery	-	20,000
Travelling	158,105	22,000
Unrealised Foreign exchange loss	59,591	659
Stamp duty	281,460	-
<i>Total other administration expenses</i>	660,383	327,151

Total administrative expenses	660,383	949,358
--------------------------------------	----------------	----------------

4 FINANCE COSTS

	2020 Kshs	2019 Kshs
Bank charges and commission	77,606	36,909
	77,606	36,909

5 PROFIT BEFORE TAX

The following items have been recognised as expenses (income) in determining profit before tax:

	2020 Kshs	2019 Kshs
Auditor's remuneration	70,000	25,000

6 TRADE AND OTHER RECEIVABLES

	2020 Kshs	2019 Kshs
Vat receivable	22,584	22,584
	22,584	22,584

MX AFRICA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020

7 CASH AND CASH EQUIVALENTS

	At 31 March 2020	At 31 March 2019
Cash at bank	256,340	31,089
	256,340	31,089

8 TRADE AND OTHER PAYABLES

	2020 Kshs	2019 Kshs
Other payables	23,547,975	-
Accrued Expenses	196,227	35,000
	23,744,202	35,000

9 DIRECTORS ACCOUNT

	2020	2019
Directors account	10,000	-
	10,000	-

10 RELATED PARTIES

The company is related to other companies which are related through common shareholding or common directorships. The following transactions were carried out with related parties:

	2020 Kshs	2019 Kshs
i) Directors' accounts		
Director	10,000	-
	10,000	-
ii) Amounts due to related party		
Maximus Global FZE	1,304,875	904,940
Maximus international ltd	48,263	-
	1,353,138	904,940

11 SHARE CAPITAL

**ORDINARY SHARE CAPITAL
AUTHORISED**

	2020 Kshs	2019 Kshs
10,000 Ordinary shares of Kshs 100/= each	1,000,000	100,000

ISSUED & FULLY PAID UP

10,000 Ordinary shares of Kshs 100/= each	1,000,000	-
Share Application Monies	2,033,340	-

12 CONTINGENT LIABILITIES

There were no contingencies existing at the year end.

MX AFRICA LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDING 31 MARCH 2020

13 INVESTMENTS

(a) Investment in Subsidiaries

(i) Investment in Quantum Lubricants (E.A) Limited

	2020 Kshs	2019 Kshs
	26,137,500	-
	<u>26,137,500</u>	<u>-</u>

(i) 51% shareholding of 100 Ordinary Shares each at Kshs 100/=.
 Subsidiary by virtue of 51% voting rights and control.

MAXIMUS LUBRICANTS L.L.C.
(Previously known as
PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UAE

Financial Statements
for the year ended 31st March 2020

MAXIMUS LUBRICANTS LLC
(Previously PACIFIC LUBRICANTS LLC)

Ras Al Khaimah, United Arab Emirates

FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

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Independent Auditor's Report

To the Board of Directors of MAXIMUS LUBRICANTS LLC, Ras Al Khaimah, UAE.

Report on the audit of financial statements

Opinion

We have audited the financial statements of MAXIMUS LUBRICANTS LLC, previously PACIFIC LUBRICANTS LLC ("The Company"), which comprise the statement of financial position as at **31st March, 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 information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **31st March, 2020** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 IFRS, 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.

Independent Auditor's Report

To the Board of Directors of MAXIMUS LUBRICANTS LLC, Ras Al Khaimah, UAE.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report

To the Board of Directors of MAXIMUS LUBRICANTS LLC, Ras Al Khaimah, UAE.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further, as required by UAE Federal Law No. (2) of 2015 we report that:

- The Company has maintained proper books of account;
- We have obtained all the information and explanations we considered necessary for the purposes of our audit
- The financial statements have been prepared and comply, in all material respects, with the the applicable provisions of the UAE Federal Law No. (2) of 2015;
- 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 year ended 31st March, 2020 any of the applicable provisions of the UAE Federal Law No. (2) Of 2015 which would materially affect its activities or its financial position as at 31st March, 2020.

For and on behalf of
CNK HUSSAIN ALSAYEGH
Chartered Accountants
Registration no: 82



Date: June 21, 2020
Place: Dubai, UAE

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	Notes	Audited as at 31st March, 2020	Audited as at 31st March, 2019
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipments	4	2,306,690	2,632,762
Capital work in progress	5	143,394	-
Long term deposits and prepayments	6	850,000	900,000
TOTAL NON CURRENT ASSETS		3,300,084	3,532,762
CURRENT ASSETS			
Cash and cash equivalents	7	59,712	22,431
Inventory	8	1,103,708	723,863
Accounts and other receivables	9	1,054,842	641,937
Deposits, prepayments and advances	10	459,853	187,082
TOTAL CURRENT ASSETS		2,678,115	1,575,313
TOTAL ASSETS		5,978,199	5,108,075
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital		300,000	300,000
Retained earnings		(1,438,826)	(1,329,129)
Shareholders' current account		542,300	542,300
TOTAL SHAREHOLDERS' EQUITY		(596,526)	(486,829)
CURRENT LIABILITIES			
Account payables	11	158,047	484,540
Other current liabilities and provision	12	1,719,104	457,872
Due to related party	13	214,396	414,207
TOTAL CURRENT LIABILITIES		2,091,547	1,356,619
NON CURRENT LIABILITIES			
Loan payable to related party	14	4,388,342	4,188,531
Employee end of service benefits	15	94,836	49,754
TOTAL NON CURRENT LIABILITIES		4,483,178	4,238,285
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		5,978,199	5,108,075

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

FOR
MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)


ANAND MULEY
MANAGER



MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
 RAS AL KHAIMAH, UNITED ARAB EMIRATES

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2020
 (Amount in Arab Emirates Dirhams)

	Notes	2019-20	2018-19
Revenue	16	6,124,569	5,047,134
Less: Cost of revenue	17	(4,431,086)	(4,700,006)
GROSS PROFIT / (LOSS)		1,693,483	347,128
Other income	18	-	60,949
OPERATING EXPENSES			
Selling and marketing expenses	19	(218,072)	(153,499)
General and administration expenses	20	(1,369,496)	(1,259,589)
Finance cost	21	(215,612)	(223,906)
TOTAL OPERATING EXPENSES		(1,803,180)	(1,636,994)
NET PROFIT / (LOSS) FOR THE YEAR		(109,697)	(1,228,917)

The accompanying notes form an integral part of these financial statements.
 The report of the auditors' is set out on page 1-3.

FOR
 MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)



ANAND MULEY
 MANAGER



MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	2019-20	2018-19
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) for the year	(109,697)	(1,228,918)
Adjustment for :		
Provision for end of service benefits	45,082	-
Depreciation	343,868	334,165
Finance cost	215,612	223,906
Operating cash flow before changes in net operating assets	<u>494,865</u>	<u>(670,847)</u>
<u>(Increase) / Decrease in Current Assets</u>		
Inventory	(379,845)	261,746
Accounts and other receivables	(412,905)	1,211,680
Deposits, prepayments and advances	(272,771)	(66,295)
<u>Increase / (Decrease) in Current Liabilities and Provisions</u>		
Account payables	(326,493)	(116,197)
Other current liabilities and provision	1,261,232	337,971
Due to related party	(199,811)	269,751
Employee end of service benefits	-	36,611
Net cash flow from/(used in) operating activities	<u>164,272</u>	<u>1,264,420</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipments	(161,190)	(189,081)
Long term deposits and prepayments	50,000	(900,000)
Net cash flow from/(used in) investing activities	<u>(111,190)</u>	<u>(1,089,081)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	(215,612)	(223,906)
Loan payable to related party	199,811	59,032
Net cash flow from/(used in) financing activities	<u>(15,801)</u>	<u>(164,874)</u>
Net Increase / (Decrease) in cash and cash equivalents	<u>37,281</u>	<u>10,465</u>
Cash and cash equivalents at beginning of the year	22,431	11,966
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>59,712</u>	<u>22,431</u>

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

FOR
MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)


ANAND MULEY
MANAGER



MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY FUNDS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

	Share Capital	Retained Earnings	Other Equity Interests	Total
Balance as at 1 st April, 2018	300,000	(100,211)	542,300	742,089
Additions during the year	-	-	-	-
Net Profit/(Loss) for the year	-	(1,228,918)	-	(1,228,918)
Transfer/Payments during the year	-	-	-	-
Distribution during the year	-	-	-	-
Balance as at 31 st March, 2019	300,000	(1,329,129)	542,300	(486,829)
Balance as at 1 st April, 2019	300,000	(1,329,129)	542,300	(486,829)
Additions during the year	-	-	-	-
Net Profit/(Loss) for the year	-	(109,697)	-	(109,697)
Transfer/Payments during the year	-	-	-	-
Distribution during the year	-	-	-	-
Balance as at 31 st March, 2020	300,000	(1,438,826)	542,300	(596,526)

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

FOR
MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)


ANAND MULEY
MANAGER



**MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

1 STATUS AND ACTIVITIES

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)

As per Supplemental Deed No. 2 To MOA passed on December 05th 2019 and attested on December 16th 2019, name of the company changed from "Pacific Lubricants LLC" to "Maximus Lubricant LLC".

MAXIMUS LUBRICANTS LLC (Previously PACIFIC LUBRICANTS LLC), is a Limited Liability Company established on 05.06.2017 and registered vide license no 26000532 with the RAK Economic Zone, RAK, United Arab Emirates. The company also is registered with Government of Ras Al Khaimah, Department of Economic development vide Industrial license no 46917 The company's business activity is Lubricants Manufacturing & Grease Manufacturing. The registered office of the company is situated in RAK Economic Zone, RAK, UAE.

The issued, subscribed and paid up capital till 26.02.2018 of the company was AED 300,000/- divided into 300 shares of AED 1000 each held by the shareholder as mentioned below:

Shareholders (Beneficial Owner)	Nationality	% of Share	No. Shares	Amount
Taleb Abdulla Mohammed Kardali Alblooshi	UAE	51%	510	153,000
Pacific Petro Tech FZE	UAE	49%	490	147,000
Total		100%	1,000	300,000

The issued, subscribed and paid up capital of the company after 26.02.2018 was AED 300,000/- divided into 300 shares of AED 1000 each) held by the shareholder as mentioned below:

Shareholders (Beneficial Owner)	Nationality	% of Share	No. Shares	Amount
Taleb Abdulla Mohammed Kardali Alblooshi	UAE	51%	153	153,000
Maximus Global FZE	UAE	49%	147	147,000
Total		100%	300	300,000

Addendum 3 to the Memorandum of Association was attested by the UAE courts on June 14, 2020 giving effect to shareholders' resolution dated January 1, 2020, resolving to amend clause 2 of article 12 and remove clause 3 of article 12 of the original Memorandum of Association.

Amended clause 2 of article 12 reads as follows

The profits after deducting the reserves and other financial obligations shall be distributed between the partners in the following proportion with effect from January 1, 2020

Shareholders (Beneficial Owner)	Nationality	% of Share in profit/loss from January 01, 2020	% of Share in profit/loss before January 01, 2020
Taleb Abdulla Mohammed Kardali Alblooshi	UAE	1%	51%
Maximus Global FZE	UAE	99%	49%
Total		100%	100%

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

1 STATUS AND ACTIVITIES (Continued...)

Addendum 3 of the Memorandum of Association also provides for clause 3 of article 12 reads as follows

Upon liquidation of the company, each partner would be entitled/liable for the accumulated profits/loss, assets and liabilities in following proportion

Shareholders (Beneficial Owner)	Nationality	% after addendum 3	% before addendum 3
Taleb Abdulla Mohammed Kardali	UAE	1%	51%
Alblooshi			
Maximus Global FZE	UAE	99%	49%
Total		100%	100%

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (' IFRSs')

New standards and interpretations effective from January 1, 2019

The following new and revised IFRSs are issued and effective from January 1, 2019. The application of these new and revised IFRSs does not have any material impact in prior years but may affect the accounting in current and for future transactions or arrangements.

IFRS 16 Leases

IFRS 16 provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Amendments to IFRS 9 Financial Instruments

Amendments relating to prepayment features with negative compensation. This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Amendments to IAS 19 Employee Benefits:

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company continues utilize exemption give for United Arab Emirates for application of IAS 19 and provides for gratuity provision on the actual basis rather on actuarial basis.

Amendments in IAS 28 Investments in Associates and Joint Ventures

Amendments relating to long-term interests in associates and joint ventures. These amendments clarify that an entity applies IFRS 9 Financial instruments to long-term interests in an associates or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company has no investment in any other company.

Annual Improvements to IFRS 2014-2017 Cycle to address uncertainty over Income Tax Treatment.

Annual Improvements to IFRS 2015-2017 to clarify the treatment of specific borrowing after the related qualifying asset is ready for its Intended use or sale.

Other than the above, there are no other significant IFRS and amendments that were effective for the first time for the financial year beginning on or after January 1, 2019.

<i>New standards and significant amendments to standards applicable to the Company</i>	<i>Effective for periods beginning on or after</i>
Amendments to References to the Conceptual Framework In IFRS Standards - amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.	January 1, 2020
The United Kingdom Financial Conduct Authority ('FCA'), which regulates the London Interbank Offered Rate ('LIBOR'), announced that the interest benchmark would cease after 2021. LIBOR is one of the most common sources of benchmark Interest rates. LIBOR reforms and expectation of cessation of LIBOR may impact the Company's current risk management strategy and possibly accounting for certain financial instruments.	January 1, 2020
Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.	

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the company.

3.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and under accrual system of accounting. The accounting policies have been consistently applied by the establishment during the period under review.

3.3 REVENUE RECOGNITION

IFRS 15 'Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

Revenue from contracts with customers

Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control- at a point in time or over time - requires judgement.

The Company recognizes revenue from sale of goods based on a five step model as set out in IFRS 15:

3.3 REVENUE RECOGNITION (Continued)

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

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

When the Company satisfies a performance obligation by delivering the promised goods, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

3.4 PROPERTY, PLANT AND EQUIPMENT

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Depreciation is recognized in the profit and loss account on a straight line basis over the estimated useful lives of the assets. The estimated useful lives of the assets are as under:

Asset Class	Life (years)
Furniture & Office Equipments	4
Motor vehicles	5
Plant & Machinery	5

3.5 INVENTORIES

Inventories are valued at the Lower of Cost and net realizable value. Cost include those expenses incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimate of the selling price less any further costs expected to be incurred to completion and disposal.

3.6 ACCOUNTS RECEIVABLE

Accounts Receivable represents amounts falling due as on Balance Sheet date. Accounts receivable are normally requiring the amounts to be received within 60-150 days of the date of invoice. Bad debts are written off as and when they arise. Accounts receivable are stated net of provision for doubtful debts and discounts.

3.7 ACCOUNTS & OTHER PAYABLES

Payables are stated at nominal amounts payable for goods or services rendered.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

3.8 PROVISIONS

Provisions are recognized when the company has a present obligation as a result of past event & it is probable that the outflow of resources will be required to settle the obligation.

3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise balances with banks.

3.10 FOREIGN CURRENCY

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these are dealt with the statement of comprehensive income.

3.11 CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF ESTIMATION

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates & assumptions that affect the application of accounting policies & the carrying amounts of assets, liabilities, income & expenses. The estimates & associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates & underlying assumptions are reviewed on a going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current & future periods.

3.12 Impact of COVID-19 (Global pandemic)

The outbreak of the COVID-19 pandemic has caused worldwide significant financial and economic impact on all industries and sectors of the economy. On March 11, 2020, the World Health Organization ("WHO") officially declared COVID-19 a global pandemic.

The company is licensed to engage in the business of import or export or trading of bitumen, lubricants and grease, petrochemicals, chemicals and agro products. From Company's continuous assessment of latest COVID-19 impacts on business activities for the Oil and lubricants industry like of Manufacturing, Trading, and supply chain, it is concluded by the management that their activities are not significantly affected by nationwide lockdowns and restrictions imposed by various governments in an attempt to curb COVID-19. Consequently, company's revenue will also not get significantly affected due to COVID-19 pandemic after reporting date.

3.13 LEASES

Policy applicable from January 1, 2019

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 account for all leases under a single balance sheet model.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

3.13 LEASES (Continued...)

The company adopted IFRS 16 using the practical expedient with effect from the date of April 01, 2019. The company also elected to use the recognition exemptions for lease contracts at the commencement date for leases having term of 12 months or less and for lease contracts for which the underlying asset is of low value.

Lease payments not recognized as liability and right of use asset as on date of initial application:

The Company has elected not to recognize a lease liability and right of use assets for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Amount
Short term leases	220,980
Leases of low value assets	-
Variable lease payments	-
	<hr/>
	220,980

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

4 PROPERTY, PLANT AND EQUIPMENTS

	Furniture & Office Equipments	Motor vehicles	Plant & Machinery	Total
Asset Cost				
Opening balance as on 1 st April, 2018	125,000	-	2,876,574	3,001,574
Additions during the year	17,294	149,408	22,379	189,081
Deductions during the year	-	-	-	-
Closing balance as on 31st March, 2019	142,294	149,408	2,898,953	3,190,655
Accumulated Depreciation				
Opening balance as on 1 st April, 2018	21,918	-	201,810	223,728
Depreciation for the year	33,138	12,470	288,557	334,165
Depreciation written back	-	-	-	-
Closing balance as on 31st March, 2019	55,056	12,470	490,367	557,893
Asset Cost				
Opening balance as on 1 st April, 2019	142,294	149,408	2,898,953	3,190,655
Additions during the year	4,296	-	13,500	17,796
Deductions during the year	-	-	-	-
Closing balance as on 31st March, 2020	146,590	149,408	2,912,453	3,208,451
Accumulated Depreciation				
Opening balance as on 1 st April, 2019	55,056	12,470	490,367	557,893
Depreciation for the year	23,613	29,882	290,373	343,868
Depreciation written back	-	-	-	-
Closing balance as on 31st March, 2020	78,669	42,352	780,740	901,761
Net Book value as on 31st March, 2019	87,238	136,938	2,408,586	2,632,762
Net Book value as on 31st March, 2020	67,921	107,056	2,131,713	2,306,690

5 CAPITAL WORK IN PROGRESS

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Opening balance as on 1st April, 2019	-	-
Additions during the year	-	-
Transfer to Property, plant and equipments	143,394	-
Closing balance as on 31st March, 2020	143,394	-

Capital Work In Progress represents capital expenditure in relation to fire safety. The asset shall be transferred to Property, plant and equipments on completion and depreciated over its estimated useful life.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

6 LONG TERM DEPOSITS AND PREPAYMENTS

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Deposits	750,000	750,000
Prepayments	100,000	150,000
	850,000	900,000

The company entered into an agreement, on 1st April 2018, with Oilzone FZE for using its Trademark, "Motorol" for 5 years. The company has kept the deposit of AED 750,000/- and has prepaid the entire lease for 5 years amounting to AED 250,000/-.

7 CASH AND CASH EQUIVALENTS

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Cash in hand	10,068	14,582
Balances with banks	49,644	7,849
	59,712	22,431

8 INVENTORY

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Inventory at the end of the year	1,103,708	723,863
	1,103,708	723,863

9 ACCOUNTS AND OTHER RECEIVABLES

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Accounts receivables	834,685	641,937
Other receivables	220,157	-
	1,054,842	641,937

Debtors ageing is given as under:

Debts between 0 - 180 days	563,404	641,937
Debts between 181 - 365 days	442,094	-
Debts due more than a year	49,344	-
	1,054,842	641,937

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against Accounts and other receivables and concluded that there was no material impact on the interim condensed financial statements. The company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all Accounts and other receivables. The revised impairment methodology has not resulted in any credit loss in Accounts and other receivables.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

10 DEPOSITS, PREPAYMENTS AND ADVANCES	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Deposits	87,824	74,824
Prepayments*	126,180	93,351
Advances	245,849	18,907
	<u>459,853</u>	<u>187,082</u>

* This includes current prepaid for lease towards Trademark.

11 ACCOUNT PAYABLES	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Sundry creditors	158,047	484,540
	<u>158,047</u>	<u>484,540</u>

12 OTHER CURRENT LIABILITIES AND PROVISION	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Duties and taxes	9,776	10,809
Advance from customers	1,300,386	380,487
Other payables	407,936	65,570
Provisions	1,006	1,006
	<u>1,719,104</u>	<u>457,872</u>

13 DUE TO RELATED PARTY

The Company enters into transactions with other companies that fall within the definition of a related party contained in IAS 24. Such transactions are in the normal course of business and as at arms length transactions with third parties. Related parties comprise companies under common ownership and/or common management control. At the end of the reporting period, trade and non trade balances with related parties were as follows:

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Maximus Global FZE	214,396	414,207
	<u>214,396</u>	<u>414,207</u>

14 LOAN PAYABLE TO RELATED PARTY

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Maximus Global FZE	4,388,342	4,188,531
	<u>4,388,342</u>	<u>4,188,531</u>

As per addendum, to the original memorandum of understanding, dated 13th October 2019, management mutually agreed that the repayment of loan receivable from Maximus Lubricants LLC, along with 5% interest accrued quarterly, shall begin from 1st April, 2023.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

15 END OF SERVICE BENEFITS

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
Opening balance as on 1st April, 2019	49,754	13,143
Add: Provision made during the year	45,082	36,611
Less: Paid during the year	-	-
	<u>94,836</u>	<u>49,754</u>

16 REVENUE

	2019-20	2018-19
Sales	4,883,542	5,047,134
Other direct revenues*	1,241,027	-
	<u>6,124,569</u>	<u>5,047,134</u>

*Other direct revenues represent interest, as per agreement dated 25th March, 2019, on sales to Maximus Global FZE. The interest charge is decided mutually by both parties considering the sales volume and total credit terms.

17 COST OF REVENUE

	2019-20	2018-19
Opening inventory	723,863	985,609
Purchase	3,978,398	3,641,283
Direct expenses	542,160	508,420
Depreciation	290,373	288,557
Closing inventory	(1,103,708)	(723,863)
	<u>4,431,086</u>	<u>4,700,006</u>

18 OTHER INCOME

	2019-20	2018-19
Other income	-	60,949
	<u>-</u>	<u>60,949</u>

19 SELLING AND MARKETING EXPENSES

	2019-20	2018-19
Business promotion expenses	218,072	153,499
	<u>218,072</u>	<u>153,499</u>

20 GENERAL AND ADMINISTRATION EXPENSES

	2019-20	2018-19
Salary and benefits	869,848	677,387
Immigration and visa expenses	27,903	30,977
Legal and professional fees	182,161	217,160
Telephone and internet	29,560	30,920
Travelling expenses	91,432	92,719
Office expenses	37,990	50,537
Repairs and maintenance	27,554	40,038
Depreciation	53,495	45,609
Exchange loss	42	-
General and miscellaneous expenses	49,511	74,241
	<u>1,369,496</u>	<u>1,259,589</u>

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

21 FINANCE COST	2019-20	2018-19
Bank charges	15,801	20,672
Interest on loan from related party	199,811	203,234
	<u>215,612</u>	<u>223,906</u>

22 FINANCIAL INSTRUMENTS

Financial instruments means Financial Assets, Financial Liabilities and Equity Instruments. Financial Assets of the establishment include Cash and cash equivalents, Accounts and other receivables & deposits. Financial Liabilities include accounts payables, Due to related parties, loan payable to related party and Other current liabilities and provisions.

The management believes that the fair value of the Financial Assets and Liabilities are not significantly different from their carrying amounts at the Balance Sheet date.

Financial Instruments by categories:

	Audited as at 31st March, 2020	Audited as at 31st March, 2019
<u>Financial Assets</u>		
Cash and cash equivalents	59,712	22,431
Accounts and other receivables	1,054,842	641,937
Deposits	837,824	824,824
<u>Financial Liabilities</u>		
Account payables	158,047	484,540
Other current liabilities and provision	1,719,104	457,872
Due to related party	214,396	414,207
Loan payable to related party	4,388,342	4,188,531

The main risk arising from the Company's financial instruments are Currency Risk, Credit Risk and Interest Rate Risk.

a. Currency Risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company's major exposure is in United States Dollar and Arab Emirates Dirhams. Hence currency risk is low.

Currency Risk Management

The majority of the transactions and balances are in either UAE dirham or United States Dollars and as the two currencies are pegged, the currency risk is maintained at low.

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial Assets, which potentially expose the establishment to credit risk, comprise mainly of bank accounts and receivables.

Credit Risk Management

Company manages credit risk with respect to receivables from customers by monitoring in accordance with defined policies and procedures. Credit risk is limited to the carrying value of financial assets in the balance sheet.

The company applies IFRS 9 simplified approach to measure expected credit losses which uses expected credit loss allowance for all its trade receivables. The company also seeks to limit its credit risk by dealing with reputable banks and independently rated parties with a minimum of investment grade ratings.

MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)
RAS AL KHAIMAH, UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
(Amount in Arab Emirates Dirhams)

c. Interest Rate Risk

The company has no deposits with banks and financial institutions. However, the company has interest bearing unsecured loans and hence the interest rate risk is present.

Interest rate risk Management

The company has fixed interest rates for each loans and such rate is not subject to any changes due to inflation. Hence, Interest rate risk is considered not to be significant.

23 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Addendum 3 to the Memorandum of Association was attested by the UAE courts on June 14, 2020 giving effect to shareholders' agreement dated January 1, 2020, resolving to amend clause 2 of article 12 and remove clause 3 of article 12 of the original Memorandum of Association.

Amended clause 2 of article 12 reads as follows

The profits after deducting the reserves and other financial obligations shall be distributed between the partners in the following proportion with effect from January 1, 2020

Taleb Abdulla Mohammed Kardali Alblooshi : 1%
Maximus Global FZE : 99%

Addendum 3 of the Memorandum of Association also provides for clause 3 of article 12 reads as follows

Upon liquidation of the company, each partner would be entitled/liable for the accumulated profits/loss, assets and liabilities in following proportion

Taleb Abdulla Mohammed Kardali Alblooshi : 1%
Maximus Global FZE : 99%

Basis the above, the company is to be considered as a subsidiary of Maximus Global FZE, on grounds of establishment of substantial control as per IFRS 10, for the purpose of consolidation and is not considered as an associate for the year ended March 31, 2020.

24 COMPARATIVE FIGURES

Comparative figures for the previous period have been regrouped and reclassified, wherever necessary to confirm to the current period presentation.

25 ROUNDING OFF

The figures in these financial statements have been rounded to the nearest AED.

The accompanying notes form an integral part of these financial statements.
The report of the auditors' is set out on page 1-3.

FOR
MAXIMUS LUBRICANTS LLC (PREVIOUSLY PACIFIC LUBRICANTS LLC)


ANAND MULEY
MANAGER



QUANTUM LUBRICANTS (E.A) LIMITED
COMPANY INFORMATION

REGISTERED OFFICE

L.R No. 1870/II/236 The Pride Rock
No. 6, Donyo Sabuk Avenue
Off General Mathenge Drive
P.O. Box 69952 - 00400

DIRECTORS

Mr Rinki Shashikant Gandhi

COMPANY SECRETARY

Mr Jophece Yogo
P.O Box 69952-00400,
Nairobi.

AUDITORS

Moore JVB LLP
Certified Public Accountants (K)
P.O Box 69952 - 00400
Nairobi.

BANKERS

Barclays Bank of Kenya Limited
Westlands Branch
P.O Box 30120 - 00100
Nairobi.

Guardian Bank Limited
Westlands Branch
Nairobi.

Stanbic Bank Kenya Limited
Nairobi

QUANTUM LUBRICANTS (E.A) LIMITED
DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements of the Company for the 3 months ended 31 March 2020.

PRINCIPAL ACTIVITIES

The Principle activity of the company is importation and wholesale of various lubricants and oils. The company also manufactures lubricants and oils under their brand name Motorol.

RESULTS FOR THE YEAR

The results for the year are as shown on page 6.

The net profit for the 3 months ending 31 March 2020 of Kshs. 5,618,444/= has been transferred to retained earnings.

DIVIDENDS

The directors do not recommend the payment of any dividends (2017: NIL).

DIRECTORS

The directors who served office during the year and to the date of this report were:-
Mr Rinki Shashikant Gandhi

AUDITORS

Moore JVB LLP, the Company's auditors, have indicated their willingness to continue in office in accordance with section 719(2) of the Kenyan Companies Act 2015.

By order of the board



Director



Director

Date: 25/06/1 2020.

QUANTUM LUBRICANTS (E.A) LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the company's operating results for that year. It also requires the directors to ensure the company keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. They also accept responsibility for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, selecting and applying appropriate accounting policies and making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 30st March 2020 and of its profit and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act.

Nothing has come to the attention of the director to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the board of directors on 25/06 2020 and signed on its behalf by:

Director 



Director _____



INDEPENDENT AUDITOR'S REPORT

To the shareholders of Quantum Lubricants (E.A.) Limited

Opinion

We have audited the Financial Statements of Quantum Lubricants (E.A.) Limited set out on pages 6 to 22 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 three months ending March 31, 2020, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Quantum Lubricants (E.A.) Limited as at March 31, 2020, and its financial performance and cash flows for the three months ending March 31, 2020 in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the *International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code)* and other independence requirements applicable to performing audits of financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Kenya. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial statements of the current period. These matters were addressed in the context of our audit of the Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Kenyan Companies Act, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Annual 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Report on Other Legal Requirements

As required by the Kenyan Companies Act we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Joy V. Bhatt - Practicing certificate No. P992.

Moore JVB LLP
Certified Public Accountants (K)

Nairobi.

Date: 25/06/2020

QUANTUM LUBRICANTS (E.A) LIMITED
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	<i>Notes</i>	2020 Kshs.
Revenue	3	93,416,995
Cost of sales	4	(68,361,930)
<i>Gross profit</i>		25,055,066
Other operating income	5	843,361
Selling and distribution costs	6	(1,173,684)
Administrative expenses	7	(11,637,615)
Other operating expenses	8	(1,309,802)
Profit from operations		11,777,326
Finance costs	9	(3,839,099)
Profit before tax		7,938,227
Income tax expenses	17	(2,319,783)
Profit for the year attributable to the owners of the company		5,618,444

Note:

The notes on page 10 to 22 form part of these financial statements.

QUANTUM LUBRICANTS (E.A) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	Share capital	Redeemable Preference Shares	Retained earnings	Total
	Kshs.	Kshs.	Kshs.	Kshs.
At 1 January 2019	100,000	136,250,000	(53,738,099)	82,611,901
Net profit for the year			19,909,439	19,909,439
At 31 December 2019	100,000	136,250,000	(33,828,660)	102,521,340
At 1 January 2020	100,000	136,250,000	(33,828,660)	102,521,340
Net profit for the year			5,618,444	5,618,444
At 31 March 2020	100,000	136,250,000	(28,210,216)	108,139,784

QUANTUM LUBRICANTS (E.A) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2020

	Notes	2020 Kshs.
ASSETS		
Current Assets		
Inventories	11	50,291,982
Current tax receivable	17	41,325
Trade and other receivables	12	148,057,557
Directors Account	18	864
Amounts due from related party	20	126,672
Cash in hand and at bank	13	4,028,195
		<u>203,546,595</u>
Non Current Assets		
Property, plant and equipment	14	22,068,736
		<u>22,068,736</u>
TOTAL ASSETS		222,615,331
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	16	58,459,951
Amounts due to related party	20	948,793
Current portion of long-term borrowings	19	857,709
Bank overdraft	13	2,869,576
		<u>63,136,029</u>
Non Current Liabilities		
Long term borrowings	19	50,806,409
Deferred tax	20	533,109
		<u>51,339,518</u>
Equity		
Issued Capital	21	136,350,000
Retained earnings		(28,210,216)
		<u>108,139,784</u>
TOTAL EQUITY & LIABILITIES		222,615,331

The financial statements on pages 6 to 22 were approved for issue by the board of directors on 25/06/ 2020 and were signed on their behalf by:



Director



Director

QUANTUM LUBRICANTS (E.A) LIMITED
 STATEMENT OF CASH FLOWS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	2020 Kshs.
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before tax	7,938,227
<i>Adjustments for non-cash income and expenses:-</i>	
Depreciation	877,711
Interest expense	268,923
Operating profit before working capital changes	9,084,861
<i>Changes in operating assets and liabilities:</i>	
(Increase) / Decrease in inventories	(13,486,362)
(Increase) / Decrease in trade and other receivables	(48,945,055)
(Decrease) / Increase in directors account	(631,731)
Decrease / (Increase) in related party balances	822,121
(Decrease) / Increase in trade and other payables	50,408,890
<i>Cash generated from operations</i>	<i>(2,747,275)</i>
Interest paid	(268,923)
<i>Net cash generated from operating activities</i>	<i>(3,016,198)</i>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(56,000)
<i>Net cash used in investing activities</i>	<i>(56,000)</i>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Borrowings received	4,992,640
<i>Net cash generated from / (used in) financing activities</i>	<i>4,992,640</i>
Net increase / (decrease) in cash and cash equivalents	1,920,442
Cash and cash equivalent at beginning of year (Note 13)	(761,822)
Cash and cash equivalent at end of year (Note 13)	1,158,620

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

GENERAL INFORMATION

Quantum Lubricants (E.A) Limited is incorporated and domiciled in Kenya under the Kenyan Companies Act as a private company limited by shares. The address of its registered office and principal place of business is L. R NO. 1870/II/236 The Pride Rock, No. 6 Donyo Sabuk Avenu, Off General Mathenge Drive, P.O. Box 69952-00400, Nairobi, Kenya. The Principle activity of the company is importation and wholesale of various lubricants and oils. The company also manufactures lubricants and oils under their brand name Motorol.

BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING

1 POLICIES

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Kenya Shillings(Kshs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

a Revenue recognition

Revenue from sales of goods is recognised when the goods are delivered and title has passed. Revenue from sale of services is recognised upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and VAT.

b Inventories

Cost comprises direct materials and, where applicable, direct labour costs and overheads that have been incurred in bringing the inventories to their present location and condition. Cost of issues are calculated using the average cost (AVCO) method. Net realisable value represents the estimated selling price less all estimated costs of disposal.

c Impairment of tangible assets

At each balance sheet date, the company reviews the carrying amount of its tangible 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 the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognised in income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

1 ACCOUNTING POLICIES (continued)

d Property, plant & equipment

All categories of property, plant and equipment, including investment property, are measured at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance is charged to the profit and loss account in the year to which it relates.

Depreciation is calculated using the reducing balance method to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

Plant & Machinery	12.5%
Buildings	2.5%
Motor Vehicles	25%
Furniture & Fittings	12.5%
Computers	30%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

e Intangible assets

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortised over its estimated life of three years using the straight-line method. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

f Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

1 ACCOUNTING POLICIES (continued)

f Leases (continued)

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

g Impairment of non-financial assets

At each reporting date, property, plant and equipment, investment property, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

h Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first-in, first-out (FIFO) method. Cost comprises direct materials and, where applicable, direct labour costs and overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of disposal.

i Financial liabilities

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

j Leasehold land

Leasehold land is amortised over the period of the lease.

k Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Kenya Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date which expressed in foreign currencies are translated into Kenya shilling at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the profit and loss account in the year in which they arise.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

1 ACCOUNTING POLICIES (continued)

1 Borrowing costs

All borrowing costs are recognised in net profit or loss for the period in which they are incurred.

m Cash and Cash equivalents

These comprise cash on hand and at bank, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to and insignificant risk of changes in value.

n Share capital, share premium and dividends

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of the par value are classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

o Financial assets

Investments in quoted shares are initially recognised at the transaction price and subsequently measured at fair value, with changes in fair value being recognised in profit or loss. Fair value is determined using the quoted bid price at the reporting date.

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

p Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

q Provision

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of obligation.

r Current Taxation

The tax currently payable is based on taxable profit for the year. Taxable profits defer from net profit as reported in the income statement as it is adjusted in accordance with tax legislation. The company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

1 ACCOUNTING POLICIES (continued)

s Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

t Leasing and Hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

u Receivables

Receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off in the year in which they are identified.

v Employee benefits - post-employment benefits

The company and its employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the company's contributions are charged to profit or loss in the year to which they relate.

w Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profits defer from net profit as reported in the income statement as it is adjusted in accordance with the Kenyan Income Tax Act. The company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on the differences between the carrying amounts of the assets and the liabilities in the financial statements on the corresponding tax bases used in the computation of the taxable profit (known as temporary differences), and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profits in the future and only to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authorities and an entity within the company intends to settle its current tax assets and liabilities on a net basis.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying company's accounting policies. The critical areas of accounting estimates and judgments in relation to the preparation of these financial statements are as set out below:

a Property and equipment

Critical estimates are made by the directors in determining the useful lives and residual values of property, plant and equipment based on the intended useful lives of the assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

b Inventories

Critical estimates are made by the directors in determining other costs to be included in the cost of inventories to the extent that they are incurred in bringing the inventories to their present location and condition.

3 <u>REVENUE</u>	2020
	Kshs.
Sales	93,416,995
	<u>93,416,995</u>
4 <u>COST OF SALES</u>	2020
	Kshs.
Opening inventories	36,805,618
Purchases	68,134,948
Plant Salary & Wages	2,508,145
Delivery Charges	745,710
Expenses on Purchase	10,329,462
Packaging Expenses	60,200
Standardization Charges	28,859
Machine repairs and maintenance	40,970
	<u>118,653,912</u>
Closing inventories	(50,291,982)
	<u>68,361,930</u>
5 <u>OTHER INCOME</u>	2020
	Kshs.
Unrealised exchange gain/(loss)	843,361
	<u>843,361</u>

QUANTUM LUBRICANTS (E.A) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	2020
	Kshs.
6 <u>SELLING AND DISTRIBUTION COSTS</u>	
Advertisement & sales promotion	1,172,680
Rounding off expense	1,004
	1,173,684
7 <u>ADMINISTRATIVE EXPENSES</u>	2020
	Kshs.
<i><u>Employment:</u></i>	
Salaries and wages	7,837,232
Staff welfare	135,215
<i>Total employment costs</i>	7,972,447
<i><u>Other administration costs:</u></i>	
Legal & Professional Expenses	156,813
Insurance	425,914
Miscellaneous Expenses	11,156
Entertainment	7,680
Postage, Telephone & Internet	62,169
Printing & Stationery	63,325
Rent & Rates	1,862,257
Transport & Travelling	316,706
Security	24,150
Motor vehicle running expenses	234,389
Licences	38,331
Work permits	195,333
Computer expenses	21,693
NSSF	22,200
Standard levy	100,000
Subscriptions	8,000
Electricity, gas and water	114,251
Medical expenses	800
<i>Total other administration expenses</i>	3,665,168
<i>Total administrative expenses</i>	11,637,615

QUANTUM LUBRICANTS (E.A) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

8	<u>OTHER OPERATING EXPENSES</u>	2020 Kshs.
	Depreciation of property, plant & equipment	877,711
	Penalties and fines	128,491
	Donations	303,600
		<u>1,309,802</u>
9	<u>FINANCE COSTS</u>	2020 Kshs.
	Bank charges and commission	3,570,176
	Interest on overdraft	140,081
	Interest on bank loans	128,842
		<u>3,839,099</u>
10	<u>PROFIT BEFORE TAX</u>	
	The following items have been recognised as expenses in determining profit before tax:	
		2020 Kshs.
	Cost of inventories recognised as expense	68,361,930
	Depreciation of property, plant and equipment	877,711
	Post-employment benefits	22,200
11	<u>INVENTORIES</u>	2020 Kshs.
	Goods in Transit	4,989,830
	Finished Goods	45,302,152
		<u>50,291,982</u>
12	<u>TRADE AND OTHER RECEIVABLES</u>	2020 Kshs.
	Trade receivables	140,735,970
	Other receivables	1,252,678
	Withholding Tax	9,354
	Prepayments	2,371,929
	Deposits	1,687,626
		<u>146,057,557</u>

QUANTUM LUBRICANTS (E.A) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

13 CASH AND CASH EQUIVALENTS

	At 1 January 2020	Cash Flows	At 31 March 2020
	Kshs.	Kshs.	Kshs.
Cash in hand	70,074	22,590	92,664
Cash at bank	1,143,320	2,792,211	3,935,531
Bank overdraft	(1,975,216)	(894,360)	(2,869,576)
	(761,822)	1,920,441	1,158,619

14 PROPERTY, PLANT AND EQUIPMENTS (refer Page 22)

15 INTANGIBLE ASSETS- SOFTWARE

	2020 Kshs.
Cost	
At start of year	583,333
At end of year	583,333
Accumulated amortisation and impairment	
At start of year	583,333
At end of year	583,333
Carrying amount	
At end of year	-

16 TRADE AND OTHER PAYABLES

	2020 Kshs.
Trade payables	55,795,017
Other payables	2,264,576
Accrued expenses	400,358
	58,459,951

17 TAXATION

a Statement of Comprehensive Income

	2020 Kshs.
Current tax applicable rate 30%	-
Deferred tax	2,319,783
Underprovision in prior years	-
Tax charge	2,319,783

b Statement of Financial Position

At 1 January 2020	(41,325)
At 31 March 2020	(41,325)

QUANTUM LUBRICANTS (E.A) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	2020
17 TAXATION (Continued)	Kshs.
c Reconciliation of tax charge to expected tax based on accounting profit	
Accounting profit before tax	7,938,227
Tax applicable rate of 30%	2,381,468
Tax effect of (expenses not deductible for tax)/non Adjustments	(61,685)
Current tax charge	2,319,783
	2020
18 DIRECTORS ACCOUNT	Kshs.
Mr Rinki S. Gandhi	(864)
	(864)
	2020
19 BORROWINGS	Kshs.
Non-current	
Bank loans	50,806,409
	50,806,409
Current	
Bank loans- payable within one year	857,709
	3,727,285
Total borrowings	54,533,694

Bank facilities and security

The company has the following borrowing facilities:

CFC Stanbic Bank

Invoice discounting facility of kshs50 million and vehicle and asset finance facility of Kshs10,000,000/-

Securities

The above facilities are secured by:

Existing securities held:

-First ranking over all assets debentures of Kshs 20m

-Personal guarantee and indemnity of kshs 40M by directors

- Letter of Negative pledge

-Deed of Subordination by SKG International Holdings PTE subordinating their rights under all preference shares amounting to Kshs. 136,250,000

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

20 DEFERRED TAX

Deferred Tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2019: 30%).

The deferred tax assets are the tax effects of expected future income tax benefits relating to:

- (a) differences between the carrying amounts and tax written down values of property, plant and equipment;
- (b) The company has recognised a valuation allowance against the deferred tax assets because, on the basis of past years and future expectations, management considers it is probable that taxable profits will be available against which the future income tax deductions can be utilised.

The movement on the deferred tax account is as follows:

	2020 Kshs.
At beginning of the period	(1,786,674)
Income statements (Credits)	2,319,783
At 31 March 2020	533,109

Deferred Tax assets and Deferred Tax credits in the profit and loss account are attributable to the following items:

	(Credited) to P & L	2020 Kshs.
<i>Deferred Tax Liabilities</i>		
Accelerated tax depreciation	(7,990)	1,944,033
	(7,990)	1,944,033
<i>Deferred Tax Assets</i>		
Taxable losses	(2,327,774)	1,410,924
	(2,327,774)	1,410,924
Net Deferred tax liability	2,319,784	533,109

20 RELATED PARTIES

The company is related to other companies which are related through common shareholding or common directorships. The following transactions were carried out with related parties:

	2020 Kshs.
i) Amounts due from related party	
Maximus International Limited	126,672
	126,672

QUANTUM LUBRICANTS (E.A) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED 31ST MARCH 2020

	2020 Kshs.	2019 Kshs.
20 <u>RELATED PARTIES (Continued)</u>		
ii) Amounts due to related party		
Maximus Global FZE	948,793	-
	948,793	-

	2020 Kshs.
21 <u>SHARE CAPITAL</u>	
<i>AUTHORISED, ISSUED & FULLY PAID UP</i>	
1,000 Ordinary shares of Kshs 100/= each	100,000
136,250 Redeemable Preference Shares of Kshs 1000/= each	136,250,000
	136,350,000

The preference shares hold no dividend coupon and are repayable at the discretion of the company

22 CONTINGENT LIABILITIES

There were no contingencies at the year end.

QUANTUM LUBRICANTS (E.A) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31ST MARCH 2020

14 PROPERTY, PLANT AND EQUIPMENT

	Plant & Machinery	Office equipment	Motor Vehicles	Furniture & Fittings	Computers	Total
COST						
At 1 January 2020	31,771,512	1,306,720	10,207,413	2,046,239	1,202,040	46,533,924
Additions	-	56,000	-	-	-	56,000
At 31 March 2020	31,771,512	1,362,720	10,207,413	2,046,239	1,202,040	46,589,924
Accumulated Depreciation and Impairment						
At 1 January 2020	15,786,545	500,443	5,076,818	1,081,594	1,195,077	23,643,477
Charge for the Year	499,530	26,946	320,662	30,051	522	877,711
At 31 March 2020	16,286,075	527,389	5,397,480	1,111,645	1,195,599	24,521,188
CARRYING AMOUNT						
At 31 March 2020	15,485,437	835,331	4,809,933	931,594	6,441	22,068,736