LAMITUBE TECHNOLOGIES LTD

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2020

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LAMITUBE TECHNOLOGIES LTD

CORPORATE INFORMATION

		Date of appointment	Date of resignation
DIRECTORS:	Mr Denis Charles Tze Sek Sum	22 Dec 98	-
	Mr Ashok Kumar Goel	07 Sep 00	22 Aug 19
	Mr Sandipan Sengupta	24 May 16	-
	Mr Jairajsingh Damri	19 Jul 16	-
	Mr Mukund Chitale	01 Apr 19	22 Aug 19
	Mrs Sharmila Abhay Karve	18 Oct 19	-
REGISTERED OFFICE:	St James Court – Suite 308 St Denis Street Port Louis Republic of Mauritius		
COMPANY SECRETARY:	First Island Trust Company Ltd St James Court – Suite 308 St Denis Street Port Louis Republic of Mauritius		
BUSINESS ADDRESS:	2nd Floor, Hennessy Tower – Suite 205 Pope Hennessy Street Port Louis Republic of Mauritius		
FOREIGN BRANCH: LICENSE PRIMARY ADDRESS	Lamitube Technologies Ltd (DMCC Branch) Unit No: 3302-09 HDS Business Center Plot No: JLT-PH1-M1A Jumeira Lakes Towers PO Box 234272 Dubai, UAE	28 November 2016	-
BANKERS:	1. ABSA Bank (Mauritius) Limited, Republic of Mauritius 2. BCP Bank (Mauritius), Republic of Mauritius 3. DBS Bank Limited, Singapore 4. Axis Bank Limited, Singapore 5. ICICI Bank Limited, New York Branch		
AUDITOR:	Qaiyoom Dustagheer FCCA, MIPA (M) Licensed Auditor 3, Maharata Street Port Louis Republic of Mauritius		

LAMITUBE TECHNOLOGIES LTD
DIRECTORS' COMMENTARY
FOR THE YEAR ENDED 31 MARCH 2020

The directors present their commentary, together with the audited financial statements of **Lamitube Technologies Ltd** (the 'Company') for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The main activities of the Company are to acquire patents, hold investments in companies engaged in flexible packaging business and trading in packaging and other related materials.

RESULTS

The results for the year as shown on page 9 relate to the Company and its foreign branch operations.

Operating profit for the year is **USD 9,822,784** compared to previous year's USD 6,416,604.

Profit for the year is **USD 8,368,331** as against USD 5,830,341 in 2019.

The Company has taken basis upon the exemption provided in the Fourteenth schedule of the Mauritius Companies Act 2001 allowing any company holding a Category 1 Global Business License not to prepare group financial statements where it is a wholly owned or a virtually wholly owned subsidiary. The Company is a wholly owned subsidiary of Essel Propack Limited, a company incorporated in India. The financial statements are therefore separate financial statements which contain information about Lamitube Technologies Ltd as an individual company and do not contain consolidated financial information as the parent of a group.

DIVIDENDS

During the year under review, a dividend of USD 5,000,000 was paid to the shareholder (2019: USD Nil).

SUBSIDIARIES AND ASSOCIATE

The World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting production and sales across a range of industries. The directors are monitoring the developments and are taking necessary measures to mitigate the financial impact on the Company, if any.

The Company has manufacturing & trading presence in various countries through its direct and step down subsidiaries and associate namely China, Philippines, Indonesia, Russia, Germany, UK, Poland, Mexico and Colombia. These companies are in the business of production of plastic packaging material in form of multilayer plastic collapsible tubes and laminates used primarily for packaging of oral care, beauty & cosmetics, pharma & health, home and food categories.

In view of the Covid-19 outbreak, the subsidiaries and associate risk management system in place have identified new challenge in terms of sanitation standards for compliance which was positively dealt with to take advantage of the extra ordinary increase in order intake for new product of disinfection and skin protection.

The subsidiary in China continues to expand its portfolio with new customers and categories and has performed well with growth in the non-oral care category.

The subsidiary in Philippines has continued with the expansion of its customer base during the financial year. The double digit growth in revenue is mainly contributed by personal care category.

The subsidiary in Latin America has been performing well and has robust business development in pipeline.

Europe has further witnessed considerable progress compared to the previous year. Overall sales have increased in all categories, resulting in improvement in margin during the financial year. Operations have also improved in terms of key operational parameters such as scrap and utilisation.

LAMITUBE TECHNOLOGIES LTD
DIRECTORS' COMMENTARY
FOR THE YEAR ENDED 31 MARCH 2020

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position as at 31 March 2020, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence, in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The directors' responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

BY ORDER OF THE BOARD

DIRECTOR

Date: 30th April 2020

SECRETARY'S CERTIFICATE
FOR THE YEAR ENDED 31 MARCH 2020

We certify that, based on records and information made available to us by the directors and shareholder of **Lamitube Technologies Ltd**, the Company has filed with the Registrar of Companies, for the financial year ended 31 March 2020, all such returns as are required of the Company under Section 166 (d) of the Mauritius Companies Act 2001.

For and on behalf of:
First Island Trust Company Ltd
Corporate Secretary

Registered office:
St James Court – Suite 308
St Denis Street
Port Louis
Republic of Mauritius

Date: 30 April 2020

QAIYOOM DUSTAGHEER FCCA, MIPA(M)
3, MAHARATA STREET, PORT LOUIS, REPUBLIC OF MAURITIUS
TEL: (230) 5752 6345
EMAIL: dustagheerqaiyoom@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF LAMITUBE TECHNOLOGIES LTD

Report on the Audit of the financial statement

Opinion
I have audited the financial statements of **Lamitube Technologies Ltd**, (the ''Company''), which comprise the statement of financial position as at 31 March 2020 and the statement of profit or loss, the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 9 to 40.

In my opinion, these financial statements give a true and fair view of the financial position of **Lamitube Technologies Ltd** as at 31 March 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence, in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion
I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (IESBA Code), and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information
The directors are responsible for the other information. The other information comprises the Directors' commentary, Corporate Governance Report and Secretary's Certificate. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

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

Directors' Responsibilities for the Financial Statements
The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence, in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 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.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF LAMITUBE TECHNOLOGIES LTD (CONTINUED)

Report on the Audit of the financial statement (Continued)

Directors' Responsibilities for the Financial Statements (Continued)
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
My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Other Matter
This report is made solely to the Company's shareholder, in accordance with Section 205 of the Mauritius Companies Act 2001. My audit work has been undertaken so that I might state to the Company's shareholder those matters that I am required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, for my audit work, for this report, or for the opinions I have formed.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF LAMITUBE TECHNOLOGIES LTD (CONTINUED)

Report on the Audit of the financial statement (Continued)

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out my audit I consider and report to you on the following matters. I confirm that:

(a) I have no relationship with or interests in the Company other than in my capacity as auditor;

(b) I have obtained all the information and explanations I have required; and

(c) In my opinion, proper accounting records have been kept by the Company as far as it appears from my examination of those records.

Qaiyoom Dustagheer FCCA, MIPA (M)
Licensed by the FRC

Date: 30 April 2020

LAMITUBE TECHNOLOGIES LTD
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 USD	2019 USD
Revenue			
Dividend income	20	**12,330,028**	10,817,703
Management income	20	**135,512**	119,357
Interest income		**38,724**	44,611
		12,504,264	10,981,671
Expenses			
Interest on loans		**1,781,696**	2,491,203
Corporate guarantee fees	20	**313,151**	419,217
Professional fees and office expenses	22	**371,921**	1,439,556
Salaries		**110,806**	109,050
Director's remuneration	20	**31,887**	33,949
Depreciation expense		**29,069**	-
Travelling expenses		**3,871**	3,856
Audit fees		**24,810**	22,167
Bank charges		**5,057**	5,565
Licence fees		**7,937**	4,910
Net foreign exchange loss	6	**1,275**	35,594
		2,681,480	4,565,067
Operating profit		**9,822,784**	6,416,604
Net share of associate (loss)/ profit	9	**(119,057)**	402,996
Profit before taxation		**9,703,727**	6,819,600
Taxation	7	**(1,335,396)**	(989,259)
Profit for the year		**8,368,331**	5,830,341

The notes on pages 14 to 40 form an integral part of these financial statements.
Auditor's report is on pages 6 to 8.

LAMITUBE TECHNOLOGIES LTD
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	2020 USD	2019 USD
Profit for the year	**8,368,331**	5,830,341
Other comprehensive loss		
Exchange differences on translation of foreign balances	**(205,848)**	(331,889)
Other comprehensive loss for the year before taxation	**(205,848)**	(331,889)
Income tax relating to the components of other comprehensive income	**-**	-
Other comprehensive loss for the year, net of taxation	**(205,848)**	(331,889)
Total comprehensive income for the year, net of taxation	**8,162,483**	5,498,452

The notes on pages 14 to 40 form an integral part of these financial statements.
Auditor's report is on pages 6 to 8.

LAMITUBE TECHNOLOGIES LTD
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Notes	2020 USD	2019 USD
ASSETS			
Non-current assets			
Investments in subsidiaries	8	118,339,604	116,186,460
Investments in associate	9	1,573,523	1,692,580
Right-of-use assets	10	29,069	-
Available-for-sale financial asset	11	-	-
		119,942,196	117,879,040
Current assets			
Asset held for distribution to owners	12	500	500
Trade and other receivables	13	1,194,319	6,449,172
Cash and cash equivalents	14	226,736	488,411
		1,421,555	6,938,083
TOTAL ASSETS		121,363,751	124,817,123
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	15	8,300,000	8,300,000
Retained earnings		86,016,511	82,648,180
Foreign exchange translation reserve		(2,364,445)	(2,158,597)
TOTAL EQUITY		91,952,066	88,789,583
Non-current liability			
Borrowings	16	25,500,000	35,500,000
Current liabilities			
Borrowings	16	3,700,000	250,000
Trade and other payables	17	183,066	277,540
Lease obligation	18	28,619	-
Current income tax liabilities	7	-	-
		3,911,685	527,540
TOTAL LIABILITIES		29,411,685	36,027,540
TOTAL EQUITY AND LIABILITIES		121,363,751	124,817,123

Approved by the Board of Directors on 30th April 2020 and signed on its behalf by:

DIRECTOR

DIRECTOR

The notes on pages 14 to 40 form an integral part of these financial statements.
Auditor's report is on pages 6 to 8.

LAMITUBE TECHNOLOGIES LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Share capital USD	Retained earnings USD	Foreign exchange translation reserve USD	Total equity USD
At 01 April 2018	8,300,000	76,817,839	(1,826,708)	**83,291,131**
Profit for the year	-	5,830,341	-	**5,830,341**
Other comprehensive loss	-	-	(331,889)	**(331,889)**
At 31 March 2019	8,300,000	82,648,180	(2,158,597)	**88,789,583**
Profit for the year	-	8,368,331	-	**8,368,331**
Equity dividend payment (Note 21)	-	(5,000,000)	-	**(5,000,000)**
Other comprehensive loss	-	-	(205,848)	**(205,848)**
At 31 March 2020	**8,300,000**	**86,016,511**	**(2,364,445)**	**91,952,066**

The notes on pages 14 to 40 form an integral part of these financial statements.
Auditor’s report is on pages 6 to 8.

LAMITUBE TECHNOLOGIES LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 USD	2019 USD
OPERATING ACTIVITIES		
Profit before taxation	**9,703,727**	6,819,600
Adjustments to reconcile profit before taxation to net cash flows		
Adjustments:		
Interest income	**(38,724)**	(44,611)
Interest expense	**1,781,696**	2,491,203
Dividend income	**(12,330,028)**	(10,817,703)
Net share of associate loss/ (profit)	**119,057**	(402,996)
Withholding and underlying tax suffered overseas	**(1,335,396)**	(989,259)
Investment written off	**1,000**	-
Depreciation expense	**29,069**	-
Working capital adjustments:		
Decrease in trade and other receivables	**2,894,861**	2,776,890
Increase / (decrease) in trade and other payables	**(204,876)**	(255,974)
Net cash flows generated from/ (used in) operating activities	**620,386**	(422,850)
INVESTING ACTIVITIES		
Payment for acquisition of investment in subsidiaries	**-**	(700,000)
Interest received	**38,724**	44,611
Dividends received	**12,330,028**	10,817,703
Acquisition of right-of-use assets	**(58,138)**	-
Net cash flows generated from investing activities	**12,310,614**	10,162,314
FINANCING ACTIVITIES		
Proceeds from borrowings	**4,650,000**	2,500,000
Repayment of borrowings	**(11,200,000)**	(14,160,000)
Interest paid	**(1,671,294)**	(2,292,247)
Payment of dividend	**(5,000,000)**	-
Lease obligation	**28,619**	-
Net cash flows used in financing activities	**(13,192,675)**	(13,952,247)
Net movement in cash and cash equivalents	**(261,675)**	(4,212,783)
Cash and cash equivalents at beginning of year	**488,411**	4,701,194
Cash and cash equivalents at end of year (Note 14)	**226,736**	488,411

The notes on pages 14 to 40 form an integral part of these financial statements.
Auditor's report is on pages 6 to 8.

1. LEGAL FORM AND PRINCIPAL ACTIVITY

The Company was incorporated under the Mauritius Companies Act on 30 June 1998 as a private company with liability limited by shares. The Company has been granted a Category 1 Global Business Licence by the Financial Services Commission on 31 December 1998 and is regulated by the Financial Services Act 2007. The Company's registered office is C/o First Island Trust Company Ltd, Suite 308 – St James Court, St Denis Street, Port Louis, Republic of Mauritius.

The main activities of the Company are to acquire patents, hold investments in companies engaged in flexible packaging business and trading in packaging and other related materials.

The financial statements for the year ended 31 March 2020 were authorised for issue in accordance with a resolution of the directors on 30 April 2020.

2. BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence, in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis of accounting

The financial statements of the Company have been prepared under the historical cost convention and are denominated in United States Dollars (USD). The preparation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence, requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Foreign currencies

Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The financial statements of the Company are expressed in USD.

Management determines the functional currency of the Company to be USD. In making this judgement, management evaluates, among other factors, the regulatory and competitive environments and the fee and performance reporting structures of the Company and in particular, the economic environment of its investors.

Transactions and balances
Foreign currency transactions are translated into USD using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Changes in accounting policy

The Company applied IFRIC 23 and IFRS 16 for the first time as it became effective for accounting period beginning on or after 01 January 2019. The nature and effect of the changes as a result of adoption of this new interpretation and standard are described below. Several other amendments and interpretations apply for the first time in 2019, but did not have an impact on the financial statements of the Company. The Company has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

2. BASIS OF PREPARATION (CONTINUED)

Changes in accounting policy (Continued)

IFRIC Interpretation 23 Uncertainty over Income Tax Treatment
The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. It does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Upon adoption of the Interpretation, the Company considered whether it has any uncertain tax positions and determined, based on its tax compliance, that the Interpretation did not have an impact on the financial statements of the Company.

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces 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. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single statement of financial position model similar to the accounting for finance leases under IAS 17.

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

The Company applied IFRS 16 on 01 April 2019 and has opted for the modified retrospective approach. The classification and measurement requirements of IFRS 16 did not have a significant impact on the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Leases

Policy applicable after 1 April 2019

Determining the classification of leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into, on or after 1 April 2019.

As a lessee
At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

Right-of-use assets
The Company recognises its office as right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company's exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in lease obligations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Policy applicable after 1 April 2019 (Continued)

Determining the classification of leases (Continued)

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

Policy applicable before 1 April 2019

Determining the classification of leases

Lease contracts are classified as operating or finance lease at the inception of the lease. Once determined, the classification is not subsequently reassessed unless there are changes to the contract conditions. Contracts which transfer all significant risks and benefits associated with the underlying asset to the lessee are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payments.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

Financial assets at amortised cost

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include receivables and cash and cash equivalents.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

Non-derivative financial assets

Financial instruments

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment provisions for loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recoginsed. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings and trade and other payables.

Subsequent measurement

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

Loans and borrowings

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

Amortised 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 amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the assets.

(i) Initial recognition
Investments are initially measured at cost. Cost of purchase includes transaction cost.

(ii) Subsequent recognition
Investments for which fair values cannot be measured reliably are recognised at cost less impairment. There is no active market for these investments and an absence of track records of similar investments. There is no alternative reliable method to calculate the fair value of such investments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment in subsidiary

A subsidiary is an entity in which the Company has control. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Company controls an investee if, and only if it has the following:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, any resulting gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associate is carried in the statement of financial position at cost as adjusted for post-acquisition changes in the Company's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Asset held for distribution to owners

A non-current asset is classified as held for distribution to owners when the entity is committed to distribute the asset to the owners. For this to be the case, the assets must be available for immediate distribution in their present condition and the distribution must be highly probable. For the distribution to be highly probable, actions to complete the distribution must have been initiated and should be expected to be completed within one year from the date of classification. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the distribution will be withdrawn.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset held for distribution to owners (Continued)

Such assets are generally measured at the lower of their carrying amount and fair value less costs to distribute. Impairment losses on initial classification as held for distribution and subsequent gains or losses on remeasurement are recognised in profit or loss.

Impairment for equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Cash and cash equivalents

Cash comprise cash balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts and which are subject to an insignificant risk of change in value and are held for the purpose of meeting short-term cash commitments. Cash and cash equivalents are measured at amortised cost which is equivalent to their fair value.

Equity

Share capital is determined using the nominal values of shares that have been issued.

Retained earnings include all current and prior results as disclosed in the statement of profit or loss.

Foreign exchange translation reserve represents unrealised loss arising from the remeasurement of amount receivable denominated in Great Britain Pound (“GBP’’) to its fair values.

Dividend distribution to the Company’s shareholders is recognised as a liability in the Company’s financial statements in the period in which the dividends are approved by the Company’s shareholders.

Expenses recognition

All expenses are accounted for in the profit or loss on the accruals basis

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that it will result in an outflow of economic benefits that can be reasonably measured.

Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met for each of the Company’s activities as described below:

<u>Interest income</u>
Interest income is recognised on the accrual basis unless collectability is in doubt.

<u>Dividend income</u>
Dividend income from investments is recognised when the shareholder’s right to receive payment has been established.

<u>Management fees</u>
Management fees are recognised on an accrual basis in accordance with the substance of the relevant agreement with the Company Subsidiary. They are determined on a time basis and are recognised on a straight-line basis over the period of the agreement. Management fees are recognised by reference to the underlying arrangement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

The Company shall offset current tax assets and current tax liabilities if, and only if, the entity:

(a) has a legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met:

(i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities.

(ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

  (a) the same taxable entity; or

  (b) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties
Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Determination of functional currency
The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

Impairment of financial assets
The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Measurement of the expected credit loss (ECL) allowance
The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of debtors defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of debtor segment and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Measurement of the expected credit loss (ECL) allowance (Continued)
When using the simplified approach for measurement of expected credit loss for trade receivables, the application of a provision matrix requires significant assumptions and judgements, such as:

- Determining the appropriate groupings of receivables into categories of shared credit risk characteristics;
- Determining the period over which historical loss rates are obtained to develop estimates of expected future loss rates;
- Determining the historical loss rates;
- Considering macro-economic factors and adjust historical loss rates to reflect relevant future economic conditions; and
- Calculating the expected credit losses.

5. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the Company has adopted all of the new and revised standard and interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for this accounting year end. The adoption of these new and revised standards and interpretations has not resulted in any changes to the Company's accounting policies that would affect the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but effective on annual periods beginning on or after the respective dates as indicated:

Standards	**Interpretations**	**Date issued by IASB**	**Effective date periods beginning on or after**
IFRS 17 Insurance Contracts	Original issue	May 2017	01 January 2021
IAS 1 Presentation of Financial Statements	Amendment to classification of liabilities as current or non-current	January 2020	01 January 2022

The directors anticipate that the adoption of these standards on the above effective dates in future periods will have no material impact on the financial statements of the Company.

6. NET FOREIGN EXCHANGE LOSS

	2020 USD	2019 USD
Details of net foreign exchange are as follows:		
Net realised foreign exchange loss	**10**	17,705
Net unrealised foreign exchange loss	**1,265**	17,889
	1,275	35,594

7. TAXATION

The Company was issued a Category 1 Global Business Licence from the Mauritius Financial Services Commission on 31 December 1998, deemed to be converted into a Global Business Company (GBC) effective 1 January 2019 for the purposes of the provisions of the Mauritius Financial Services Act 2007 (as amended by the Finance Act 2018). Pursuant to the enactment of the Finance Act 2018, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income. This is subject to the Company meeting necessary substance and company requirements under the Financial Services Act 2007 and the Income tax Act.

The Company monitors the proposed and issued tax laws, regulations and cases to determine the impact on uncertain tax positions. At 31 March 2020, there are no potential subsequent events that would have a material impact on unrecognised income tax benefits within the next twelve months.

The Company being a holder of a valid GBC licence issued before 16 October 2017 will, up to 30 June 2021, continue to apply the deemed foreign tax credit system.

Under the deemed foreign tax credit system, the Company is liable to income tax in Mauritius on its chargeable income at the rate of 15% but is however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of the Mauritian tax chargeable on its foreign source income.

	2020 USD	2019 USD
Income tax expense (Note 7.1)	**-**	-
Irrecoverable withholding and underlying tax suffered overseas (Note 7.2)	**1,335,396**	989,259
Taxation	**1,335,396**	989,259

7.1 Income Tax Expense

The reconciliation between the accounting profit and the tax charge is as follows:

	2020 USD	2019 USD
Profit before taxation	**9,703,727**	6,819,600
Effect of:		
- underlying tax suffered overseas	**3,684,534**	3,155,141
- expenses that are not deductible in determining taxable profit	**267,744**	1,454,071
- income that is exempt from taxation	**-**	(419,356)
Profit as adjusted for tax purposes	**13,656,005**	11,009,456
Income tax expense calculated at 15%	**2,048,401**	1,651,418
Effect of tax concessions:		
Foreign tax credit	**(2,048,401)**	(1,651,418)
Income tax expense	**-**	-

7. TAXATION (CONTINUED)

7.2 Irrecoverable Withholding and Underlying Tax

	2020 USD	2019 USD
Irrecoverable withholding and underlying tax:		
Tax suffered on management fees received from Essel Propack Philippines, Inc at the rate of 30%	**40,654**	35,807
Tax suffered on dividend income received from Essel Propack Philippines, Inc at the rate of 15%	**101,192**	89,014
Tax suffered on dividend income received from P.T Lamipak Primula at the rate of 20%	**-**	49,478
(Tax refund on advance tax paid for Essel Deutschland GmbH & Co., KG Dresden)/ Tax suffered by the partnership Essel Deutschland GmbH & Co., KG, Dresden at the rate of 15.825 % on the net income.	**166,040**	(65,607)
Tax suffered on dividend income received from Essel Packaging (Guangzhou) Limited at the rate of 10%	**1,027,510**	880,225
Tax suffered by Essel Deutschland Management GmbH- Germany at the rate of 26.37% on the net income.	**-**	342
Irrecoverable withholding and underlying tax	**1,335,396**	989,259

8. INVESTMENTS IN SUBSIDIARIES

	2020 USD	2019 USD
Non-current - *Unquoted at cost*		
At beginning of year	**116,186,460**	115,486,460
Additions during the year	**2,154,144**	700,000
Investment written off	**(1,000)**	-
At end of year	**118,339,604**	116,186,460

The Company holds 100% of the share capital in Essel Propack UK Limited. During the year under review, the Company has converted a loan receivable of USD 2,154,444 into equity and 175,922,300 new ordinary shares of GBP 0.01 were allotted to the Company in Essel Propack UK Limited.

In addition, the entire business of the Company's subsidiary Arista Tubes Limited (UK) was transferred to Essel Propack UK Limited. Arista Tubes Limited (UK) was subsequently filed for striking off from the Companies House Register and the process was completed during the month of December 2019.

The Company has pledged its partnership interest in Essel Deutschland GmbH & Co., KG, Dresden in favour of the ICICI Bank Limited for a term loan of USD 12,500,000.

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of investments in subsidiaries classified under non-current assets are as follows:

Name of subsidiaries	**Number of shares**	**Par value**	**% Held 2020**	2019	**Country of incorporation**	**Cost 2020 USD**	Cost 2019 USD
Essel Propack Philippines, Inc	375,588 equity shares	PHP 100	**100%**	100%	Philippines	**457,477**	457,477
MTL de Panama S.A.	2 equity shares	N/A	**100%**	100%	Panama	**3,555,134**	3,555,134
Essel de Mexico, S.A de C.V.	42,365 'Serie B' equity shares	MXN 1,000	**53.26%**	53.26%	Mexico	**3,900,269**	3,900,269
Essel de Mexico, S.A de C.V.	33,207 'Serie B' special shares	MXN 1,000	**100%**	100%	Mexico	**2,600,000**	2,600,000
Arista Tubes Limited	917,000 equity shares	GBP 1	**100%**	100%	United Kingdom	**-**	1,000
Essel packaging (Guangzhou) Limited	N/A	N/A	**100%**	100%	China	**24,665,491**	24,665,491
Essel Propack UK Limited	197,059,300 equity shares	GBP 0.01	**100%**	100%	United Kingdom	**2,173,016**	18,872
Essel Propack UK Ltd	4,800 preference shares	GBP 1,000	**100%**	100%	United Kingdom	**428,556**	428,556
Essel Propack LLC Russia	136,894,051.60 RUB share capital	N/A	**100%**	100%	Russia	**2,450,000**	2,450,000
Essel Deutschland GmbH & Co., KG, Dresden	N/A	N/A	**100%**	100%	Germany	**20,011,751**	20,011,751
Essel Deutschland Management GmbH	N/A	N/A	**100%**	100%	Germany	**58,108**	58,108
Essel Propack Polska Sp. z.o.o.	8,467	PLN 20,000	**100%**	100%	Poland	**58,039,802**	58,039,802
						118,339,604	116,186,460

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The main business activity of MTL de Panama SA is that of an investment holding company, Essel Propack UK Limited act as a trading / sales support entities. The main business activity of Essel Deutschland Management GmbH is to act as management services company. The other subsidiaries are in the production of plastic packaging material in form of multilayer plastic collapsible tubes and laminates used primarily for packaging of oral care, beauty and cosmetics, pharmaceuticals and healthcare, food and home categories.

The directors have reviewed the financial position and performance of the subsidiaries and are of the opinion that estimated recoverable amount of investments are not less than their carrying value.

The Company being the sole Preference Shareholder in Essel Propack UK Ltd have waived its rights to dividends up to and including the current financial year. All future dividends will be at the discretion of Essel Propack UK Ltd.

Consolidated Financial Statements
The Company has subsidiaries as disclosed in this note. The Company has taken advantage of the exemption provided in the Fourteenth schedule of the Mauritius Companies Act 2001 allowing any company holding a Category 1 Global Business License not to prepare group financial statements where it is a wholly owned or a virtually wholly owned subsidiary. The Company is a wholly owned subsidiary of Essel Propack Limited, a company incorporated in India. The financial statements are therefore separate financial statements which contain information about Lamitube Technologies Ltd as an individual company and do not contain consolidated financial information as the parent of a group.

The Company's parent, Essel Propack Limited, produces consolidated financial statements prepared in accordance with Indian Accounting Standards ("IND AS"). The registered office of the parent is P.O. Vasind, Taluka Shahapur, Dist Thane, Maharashtra 421 604, India.

9. INVESTMENTS IN ASSOCIATE

	2020 USD	2019 USD
Unquoted at cost		
At beginning and end of year	**605,796**	605,796
Carrying amount		
Balance at beginning of year	**1,692,580**	1,289,584
Net share of associate (loss)/ profit for the year	**(119,057)**	402,996
Carrying amount at end of year	**1,573,523**	1,692,580

Details of investments in associate are as follows:

Name of company	**Number of shares**	**Nominal value**	**% Held 2020**	2019	**Country of incorporation**	**Cost 2020 USD**	Cost 2019 USD
P.T. Lamipak Primula	2,100	USD 350	**30%**	30%	Indonesia	**605,796**	605,796

9. INVESTMENTS IN ASSOCIATE (CONTINUED)

The main business activity of P.T Lamipak Primula is in the production of plastic packaging material in form of multilayer plastic collapsible tubes and laminates used primarily for packaging of toothpaste, personal care, cosmetics, food pharmaceuticals, household and industrial products.

The directors have reviewed the financial position and performance of the associate and are of the opinion that estimated recoverable amount of investment is not less than its carrying value.

Summarised financial information in respect of the Company's associate for the years ended 31 March 2020 and 2019 is set out below:

	31 Mar 2020 USD	31 Mar 2019 USD
Total assets	**38,494,722**	39,968,186
Total liabilities	**(24,192,747)**	(25,325,517)
Net assets	**14,301,975**	14,642,669
Group's share of associate net assets	**4,290,592**	4,392,801
Total revenue	**25,132,056**	25,545,842
Total (loss)/ profit for the period/ year	**(396,857)**	2,167,949
Share of associate (loss)/ profit	**(119,057)**	650,385
Dividend received from associate	**-**	(247,389)
Net share of associate (loss)/ profit	**(119,057)**	402,996

10. RIGHT-OF-USE ASSETS

	Office on lease USD	**Total USD**
Cost		
At 01 April 2019	**-**	**-**
Additions during the year	**58,138**	**58,138**
At 31 March 2020	**58,138**	**58,138**
Depreciation		
At 01 April 2019	**-**	**-**
Charge for the year	**29,069**	**29,069**
At 31 March 2020	**29,069**	**29,069**
Carrying amount		
At 31 March 2020	**29,069**	**29,069**
At 31 March 2019	**-**	-

The offices of the Company and the Branch are on lease. The incremental borrowing rate is considered at 9% for the Company and 5% for the Branch. The lease period is for 2 years in both cases.

11. AVAILABLE-FOR-SALE FINANCIAL ASSET

	2020 USD	2019 USD
Unquoted at cost		
At beginning of year	**-**	500
Transfer to assets held for distribution to owners (Note 12)	**-**	(500)
At end of year	**-**	-

Through a shareholder's extraordinary meeting dated 21 December 2018, the shareholders of Tubopack De Colombia SAS resolved to dissolve the company. Accordingly a liquidator was appointed last year. The liquidation procedures are going on and it is expected to be completed shortly. Therefore, in compliance with IFRS 5, non-current assets held for sales and discontinued operations, the cost of investment in Tubopak De Colombia SAS was transferred to assets held for distributions to owners.

12. ASSET HELD FOR DISTRIBUTION TO OWNERS

	2020 USD	2019 USD
Balance at start of year	**500**	-
Transfer from available-for-sale financial asset (Note 11)	**-**	500
Balance at end of year	**500**	500

The details of the investments is as follows:

Name of company	**Number of shares**	**Nominal value**	**% Held 2020 & 2019**	**Country of incorporation**	**Cost 2020 & 2019 USD**
Tubopack de Colombia S.A.S	1,000 Class A	COP 1,000	0.24 %	Colombia	500

13. TRADE AND OTHER RECEIVABLES

	2020 USD	2019 USD
Receivables from related parties (Note 20)	**403,332**	3,512,254
Receivables from third parties	**-**	1,830,000
Prepayments	**787,287**	1,100,386
Other receivables	**3,700**	6,532
	1,194,319	6,449,172

At 31 March 2019 and 2020, the carrying value of trade and other receivables approximated its fair value, due to the short term maturity of the assets.

The receivable from related parties amounting to USD 403,332 represents management's best estimate and in their opinion, is recoverable as at 31 March 2020. As such, the Company has not recognised an allowance for ECL for the year under review.

14. CASH AND CASH EQUIVALENTS

	2020 USD	2019 USD
Cash at bank	**226,736**	188,411
Fixed deposit account	**-**	300,000
	226,736	488,411

15. SHARE CAPITAL

	Number of shares 2020	Number of shares 2019	**2020 USD**	2019 USD
Authorised share capital:				
Ordinary shares of USD 10 each	**1,000,000**	1,000,000	**10,000,000**	10,000,000
Issued and fully paid:				
Ordinary shares of USD 10 each	**830,000**	830,000	**8,300,000**	8,300,000

16. BORROWINGS

	2020 USD	2019 USD
Secured bank loans:		
Balance at beginning of year	**35,500,000**	47,410,000
Loan repaid during the year	**(8,000,000)**	(11,910,000)
Balance at end of year	**27,500,000**	35,500,000
Unsecured loan from related party		
Balance at beginning of year	**250,000**	-
Loan received during the year	**4,650,000**	2,500,000
Loan repaid during the year	**(3,200,000)**	(2,250,000)
Balance at end of year (Note 20)	**1,700,000**	250,000
Total	**29,200,000**	35,750,000
Non-current	**25,500,000**	35,500,000
Current	**3,700,000**	250,000
Total	**29,200,000**	35,750,000

16. BORROWINGS (CONTINUED)

The loans are arranged at floating interest rates and the average interest rates as at 31 March were as follows:

	2020	2019
	%	%
Average interest rates:		
- Secured bank loans	**4.03 % - 5.34%**	4.50 % - 5.70%

The secured bank loans have been secured by way of ESCROW of dividend receivable from Company's subsidiaries in China, subservient charge on current assets and moveable fixed assets of the holding company and the Corporate Guarantee of the holding company. These are further secured by ESCROW dividend receivable from an affiliate and Corporate Guarantee of an affiliate of the Company.

The carrying amount of the borrowings is considered to be a reasonable approximation of the fair value.

17. TRADE AND OTHER PAYABLES

	2020	2019
	USD	USD
Interest payables	**122,991**	224,653
Accrued expenses	**60,075**	52,887
	183,066	277,540

At 31 March 2019 and 2020, the carrying value of trade and other payables approximated its fair value, due to the short term maturity of these liabilities.

18. LEASE OBLIGATIONS

	2020	2019
	USD	USD
Current		
Obligations under leases	**28,619**	-

Obligations under finance leases

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default. The lease term is over a period of 2 years. For the year ended 31 March 2020, the effective average borrowing rate was 5% for the branch and 9% for the Company. Interest rates are fixed at the contract date, and thus do not expose the Company to fair value interest rate risk.

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18. LEASE OBLIGATIONS (CONTINUED)

	Minimum lease payment		Present value of minimum lease payments	
	2020 USD	2019 USD	**2020 USD**	2019 USD
Within one year	**30,081**	-	**28,619**	-
In the second to fifth years inclusive	**-**	-	**-**	-
		-	**28,619**	-
Future finance charges on finance leases	**(1,462)**	-	**-**	-
Present value of finance lease obligations	**28,619**	-	**-**	-
Amount due for settlement within 12 months			**28,619**	-
Amount due for settlement after 12 months			**-**	-

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A description of the significant risk factors is given below together with the risk management policies applicable.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

In its ordinary operations, the Company is exposed to various risks such as market risks, credit risks and liquidity risks.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk and currency sensitivity
Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from receivables and payables which are held in the Great Britain Pound ("GBP"), the United Arab Emirates Dirham ("AED"), the Philippine Peso ("PHP"), the Mauritian Rupee ("MUR") and the Colombian Peso ("COP'').

The Company has receivables and payables denominated in GBP, AED, PHP, MUR, and COP. Consequently, the Company is exposed primarily to the risk that the exchange rate of the United States Dollar ("USD") relative to the GBP, the AED, the PHP, the MUR and the COP may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

As at 31 March 2020, if the USD had weakened / strengthened by 5% against the GBP, the Company's profit and other equity would have been **USD Nil** (2019: USD 156,676) lower / higher.

If the USD had weakened / strengthened by 5% against the other foreign currencies, the effect on the Company's profit and other equity is not considered material.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk
Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Company's main credit risk concentration comprise of the receivable from its related and third parties. At each reporting date, the credit risk of each loan is assessed in order to determine whether there has been a significant increase in credit risk since initial recognition.

The credit risk in the context of ECL have been assessed over the expected life of the loan taking into consideration historical credit experience for default in payment and also current forecasts which assume the most likely expected business and economic conditions of the related parties. Based on this analysis, no historical default in payment and future economic conditions is likely to influence the recoverability of the loan. As such, there is less or no influence on credit risk as at reporting date.

The bank balance is considered negligible, since the counterparty is a reputable bank with high quality external credit ratings.

Interest rate risk
Interest income from bank accounts may fluctuate in amount, in particular due to changes in market interest rates.

The direct effect of movements in interest rates is not material to the Company.

The Company has interest financial liabilities which are at fixed and floating interest rates and is therefore exposed to the risks associated with the effects of fluctuation in interest rates.

Interest rate sensitivity
The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of 1%. A 1% basis point increase or decrease is used and this represents management's assessment of the reasonably possible change in interest rate.

The calculations are based on the financial instruments held at that date and which are sensitive to changes in interest rates. All other variables are held constant.

The table below depicts the movement in profit and equity given an increase of 1 % in interest rates.

	Profit and equity USD
At 31 March 2020	**(447,778)**
At 31 March 2019	(427,456)

A fall of 1 % in the interest rates would have the corresponding positive impact.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (Continued)

The table below illustrates the aged analysis of the Company's financial liabilities:

	Less than 1 year 2020 USD	Over 1 year 2020 USD	Total 2020 USD
Liabilities			
Borrowings (Note 16)	3,700,000	25,500,000	**29,200,000**
Trade and other payables (Note 17)	183,066	-	**183,066**
Lease obligation (Note 18)	28,619	-	**28,619**
	3,911,685	**25,500,000**	**29,411,685**

Capital risk management

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is financed by equity and loan.

Currency profile
The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial Assets		Financial Liabilities	
	2020 USD	2019 USD	**2020 USD**	2019 USD
Denominated in:				
Great Britain Pound ("GBP")	**-**	3,133,523	**-**	-
United Arab Emirates Dirham ("AED")	**42,657**	26,322	**39,891**	35,070
Philippine Peso ("PHP")	**23,443**	22,873	**-**	-
Mauritian Rupee ("MUR")	**4,574**	5,106	**518**	576
Colombian Peso ("COP")	**500**	500	**-**	-
United States Dollar ("USD")	**561,072**	2,649,373	**29,369,612**	35,991,653
Euro ("EUR")	**-**	-	**1,664**	241
	632,246	5,837,697	**29,411,685**	36,027,540

Financial assets exclude investments in subsidiaries of **USD 118,339,604** (2019: USD 116,186,460), investment in associate of **USD 1,573,523** (2019: USD 1,692,580), right-of-use assets of **USD 29,069** (2019: USD Nil), tax receivable of **USD 2,022** (2019: USD Nil) and prepayments of **USD 787,287** (2019: USD 1,100,386) for the year ended 31 March 2020.

Fair values
The carrying amount of asset held for distribution to owners, trade and other receivables (excluding prepayments), cash and cash equivalents, borrowings and trade and other payables approximate to their fair values.

The Company presents financial assets measured at fair value in the statement of financial position in accordance with the fair value hierarchy.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair values (Continued)

This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities.

The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
As at 31 March 2020				
Assets:				
Unquoted investment	-	-	500	**500**
As at 31 March 2019				
Assets:				
Unquoted investment	-	-	500	**500**

There has been no transfer between Level 1 and 2 in the reporting period.

Accounting classifications and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount		
31 March 2020	**Amortised cost**	**Other financial liabilities**	**Total**
Financial assets not measured at fair value	**USD**	**USD**	**USD**
Trade and other receivables (excluding prepayments)	405,010	-	**405,010**
Cash and cash equivalents	226,736	-	**226,736**
	631,746	**-**	**631,746**
Financial liabilities not measured at fair value			
Borrowings	-	29,200,000	**29,200,000**
Trade and other payables	-	183,066	**183,066**
Lease obligation	-	28,619	**28,619**
	-	**29,411,685**	**29,411,685**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

	Carrying amount		
31 March 2019	**Amortised cost**	**Other financial liabilities**	**Total**
Financial assets not measured at fair value	**USD**	**USD**	**USD**
Trade and other receivables (excluding prepayments)	5,348,786	-	**5,348,786**
Cash and cash equivalents	488,411	-	**488,411**
	5,837,197	**-**	**5,837,197**
Financial liabilities not measured at fair value			
Borrowings	-	35,750,000	**35,750,000**
Trade and other payables	-	227,540	**227,540**
	-	**35,977,540**	**35,977,540**

Concentration risk
At 31 March 2020, the Company held investments in Philippines, Russia, Panama, Mexico, China, Egypt, United Kingdom, Hong Kong, Indonesia, Germany and Colombia which involves certain considerations and risks. Future economic and political developments in those countries could affect the operations of the investee companies.

20. RELATED PARTIES TRANSACTIONS

The following transactions were carried out with related parties on normal commercial terms and conditions and at market prices:

Name of companies	**Type of relationships**	**Nature of transactions**	**Debit / (credit) balance as at 01 April 2019 USD**	**Volume of transactions during year ended 31 March 2020 USD**	**Debit / (credit) balance as at 31 March 2020 USD**
Essel Propack Philippines Inc.	Subsidiary	Receivable	22,873	570	**23,443**
Arista Tubes Ltd – UK	Subsidiary	Receivable	3,133,523	(3,133,523)	**-**
MTL de Panama	Subsidiary	Receivable	267,759	22,009	**289,768**
Essel Propack LLC Russia	Subsidiary	Receivable	88,099	-	**88,099**
Essel Deutschland GmbH	Subsidiary	Receivable	-	2,022	**2,022**
Receivables from related parties (Note 13)			**3,512,254**	**(3,108,922)**	**403,332**

20. RELATED PARTIES TRANSACTIONS (CONTINUED)

Out of the amount receivable from MTL de Panama USD 225,000 bears interest at a rate of 5.25% per annum, is unsecured and repayable on demand. The remaining amount due amounting to USD 64,768 does not bear any interest, is unsecured and is repayable on demand.

The remaining amount receivable from related parties does not bear any interest, are unsecured and are repayable on demand.

Loan from related party (Note 16)

Name of company	Type of relationships	Nature of transactions	Debit / (credit) balance as at 01 April 2019 USD	Volume of transactions during year ended 31 March 2020 USD	Debit / (credit) balance as at 31 March 2020 USD
Lamitude Technologies Cyprus Ltd	Related company	Loan	(250,000)	(1,450,000)	**(1,700,000)**

The loan payable to related party amounting to USD 1,700,000 bears interest at the rate of 3.25%, is unsecured and is repayable within 1 year.

Expenses paid to related parties

Name of companies	Type of relationships	Nature of transactions	2020 USD	2019 USD
Essel Propack Limited – India	Holding company	Corporate guarantee fees	**313,151**	419,217

Income received from related parties

Name of companies	Type of relationships	Nature of transactions	2020 USD	2019 USD
Essel packaging (Guangzhou) Limited	Subsidiary	Dividend received	**10,275,103**	8,802,254
Essel Deutschland GmbH & Co., KG, Dresden	Subsidiary	Dividend received	**1,380,310**	1,173,314
Essel Propack Philippines Inc.	Subsidiary	Dividend received	**674,615**	593,428
P.T Lamipak Primula	Associate	Dividend received	**-**	247,389
Essel Deutschland Management GmbH	Subsidiary	Dividend received	**-**	1,318
Dividend income			**12,330,028**	10,817,703
MTL de Panama SA	Subsidiary	Interest income	**12,009**	11,977
Essel Propack Philippines Inc.	Subsidiary	Management fees	**135,512**	119,357

20. RELATED PARTIES TRANSACTIONS (CONTINUED)

Key management compensation
Key management includes executive directors. The compensation paid to key management personnel are shown as follows:

	2020 USD	2019 USD
Director's fees to Mr Denis Charles Tze Sek Sum	**31,887**	33,949

21. DIVIDENDS PAID AND PROPOSED

	2020 USD	2019 USD
Declared and paid during the year		
Equity dividend on ordinary shares:		
Dividend payable at beginning of year	**-**	-
Dividend for the year	**5,000,000**	-
Dividend paid during the year	**(5,000,000)**	-
Balance at end of year	**-**	-

22. PROFESIONAL FEES AND OFFICE EXPENSES

Professional Fees and office expenses include professional fees, office expenses and write off.

23. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of the outbreak on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers, employees and vendors, and governmental, regulatory and private sector responses. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty.

24. HOLDING COMPANY

The directors regard Essel Propack Limited, a company incorporated in India as the holding company.