

Elan Incorporated (FZE)
SAIF Zone, Sharjah - UAE.

Financial Statements and Auditors Report
For the year ended 31st December 2020.

CERTIFIED TRUE COPY

FOR TIME TECHNOPLAST LIMITED

MANOJ KUMAR MEWARA
Company Secretary

Elan Incorporated (FZE)
SAIF Zone, Sharjah - UAE.

Financial Statements and Auditors Report
For the year ended 31st December 2020.

Elan Incorporated (FZE)
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**Financial Statements and Auditors Report
For the year ended 31st December 2020.**

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Elan Incorporated (FZE)
SAIF Zone, Sharjah – UAE.

Establishment information

Address	:	Plot of Land M3-7, 9& 11, P.O. Box. 9410, Sharjah - UAE.
Contact Details		
Tel	:	+971 – 65576111
E-mail	:	george@uaeelan.com
Tax Registration Number	:	100045578000003
Financial Year Ending	:	31 st December 2020
Owner M/s. Time Technoplast Limited (India)	:	Incorporated in India
Manager Mr. Georgekutty Kochuthekkethil Thomas	:	Nationality Indian
The Auditors	:	M/s. ASP Auditing P.O. Box No: 103528 Dubai - UAE Tel: +971- 4 – 3353970 Email: aspa@emirates.net.ae
The Main Bankers	:	Bank of Baroda Sharjah Islamic Bank

Directors' Report and Management Discussion and Analysis

We have pleasure in presenting the financial statements for the year ended 31st December 2020.

BUSINESS OVERVIEW:

Elan incorporated FZE is a Free Zone entity located in SAIF Zone, Sharjah. It is having a Manufacturing Unit of Industrial packaging products. The company's product range covers blow-molded packaging products which include Intermediate Bulk Containers (IBC), Large size 200/235-liter drums, Medium, and Small size packaging, and Pails. We are also trading Polymer Raw Materials, Moulds, Techpaulin, etc.

BUSINESS OPERATIONS REVIEW AND FUTURE BUSINESS DEVELOPMENT:

The Establishment has been in operation from March 2005.

HIGHLIGHTS OF ELAN INCORPORATED (FZE) 's PERFORMANCE IN 2020:

Despite the difficult global business conditions, it pleases to inform you that the Establishment succeeded in achieving new businesses.

- The Establishment achieved a Turnover of AED 48,607,128/- for the year ended 31st December 2020 as compared to AED. 47,711,731/- for the previous year ended 31st December 2019.
- The Establishment posted a Net Profit of AED. 1,930,657/- for the year ended 31st December 2020 as against a Net Profit of AED. 563,618/- for the previous year ended 31st December 2019.
- The Establishment experienced a smooth cash flow throughout the financial year and concluded with the liquidity in cash and bank balance equivalent worth AED. 1,640,437/-

AUDITORS:

The Auditors, M/s. ASP Auditing, Dubai, UAE are eligible for re-appointment and have expressed their willingness to continue as Auditors for the next year.

DIRECTOR'S RESPONSIBILITIES:

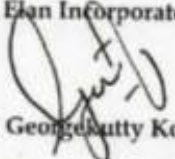
The Directors are responsible for keeping proper books of accounts and accounting records which disclose with reasonable accuracy at any time, the financial position of the Establishment and to enable them to ensure that the financial statements comply with Commercial Companies Law of 2015 (as amended).

ACKNOWLEDGEMENTS:

The Directors take this opportunity to convey their deep sense of gratitude for valuable assistance and Co-operation extended to the Establishment by all valued Customers, Bankers and various departments of government and local authorities.

The Directors also wish to place on record their sincere appreciation for the valued contribution, unstinted efforts and spirit of dedication shown by the Establishment employees, officers and the executives at all levels which contributed, in no small measure, to the progress and the high performance of the Establishment during the year under review.

For Elan Incorporated (FZE)


Mr. Georgekutty Kochuthekkethil Thomas
(Manager)



May 26, 2021.

To,
The Shareholders,
M/s. Elan Incorporated (FZE),
SAIF Zone, Sharjah - UAE.

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s. Elan Incorporated (FZE), SAIF Zone, Sharjah - UAE which comprise the statement of financial position as at 31st December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31st December 2020, 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 Establishment as at 31st December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Establishment in accordance with the ethical requirements that are relevant to our audit of the financial statements in, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance ("TCWG") for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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 Establishment 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 Establishment or to cease operations or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Establishment's financial reporting process.

Auditors' 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 Audit 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 to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Establishment's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by management.

- Conclude on the appropriateness of management 's use of going concern basis of Accounting and based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors Report. However, future events or conditions may cause the Establishment 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 transaction's and events in a manner that achieves fair presentation.

We communicate with management and 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 were identify during the Audit.

Report on the Legal and Regulatory Requirements

As required by the provisions of the Implementing Rules and Regulations issued by the Sharjah Airport International Free Zone Authority pursuant to Sharjah Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution No. (1) of 2000 applicable for entities in Sharjah Airport International Free Zone, Sharjah, we further confirm that,

- i. the Establishment has maintained proper books of accounts;
- ii. we have obtained all the information we considered necessary for the purposes of or audit;
- iii. the financial information included in the directors' report is in consistent with the books of accounts of the Establishment;
- iv. Further, based on the information made available to us, nothing has come to our attention which causes us to believe that the Establishment has contravened during the financial year ended 31st December 2020 any of the above mentioned provisions or its Articles of Association which would materially affect its activities or its financial position as at 31st December 2020.

For ASP AUDITING



May 27, 2021

License No.: 563310

Ministry Regn.: 245/29.04.1998

Huda Yousif Ali Ahmed Al Ansaari

Elan Incorporated (FZE)

SAIF Zone, Sharjah - UAE

STATEMENT OF FINANCIAL POSITION
As at 31st December 2020

ASSETS	Note	Dec-20 AED	Dec-19 AED
NON -CURRENT ASSETS			
Property, Plant and Equipment	5	27,112,350	29,001,856
Investments in Equity	6	17,820,443	17,820,443
Total Non-Current Assets	A	44,932,793	46,822,299
CURRENT ASSETS			
Cash and Cash Equivalents	7	1,640,437	759,613
Trade & Other Receivables	8	10,630,443	8,897,927
Inventory	9	11,904,226	9,674,563
Due from Related Parties	10	38,425,202	36,017,135
Other Current Assets	11	7,723,701	9,054,248
Total Current Assets	B	70,324,009	64,403,486
TOTAL ASSETS	A+B	115,256,802	111,225,785
EQUITY & LIABILITIES			
EQUITY			
Share Capital	4	11,100,000	11,100,000
Retained Earnings	18	62,555,019	60,624,362
Total Equity	C	73,655,019	71,724,362

(Cont.)

Elan Incorporated (FZE)

SAIF Zone, Sharjah - UAE

STATEMENT OF FINANCIAL POSITION (Cont.)

As at 31st December 2020

LIABILITIES	Note	Dec-20 AED	Dec-19 AED
NON CURRENT LIABILITIES			
Provision for Employee Benefits	17	689,417	520,082
Bank Borrowings	12 (ii)	5,006,166	7,237,612
Total Non Current Liabilities	D	5,695,583	7,757,694
CURRENT LIABILITIES			
Bank Borrowings	12 (i)	11,792,182	11,131,026
Due to Related Parties	13	15,745,450	10,943,015
Trade & Other Payables	14	8,003,538	9,201,375
Other Current Liabilities	15	44,503	233,319
Accruals and Provisions	16	320,527	234,994
Total Current Liabilities	E	35,906,200	31,743,729
TOTAL LIABILITIES	D+E	41,601,783	39,501,423
TOTAL EQUITY & LIABILITIES	C+D+E	115,256,802	111,225,785

The notes on pages 12 to 36 form an integral part of these financial statements.

These financial statements were approved on May 26, 2021.

For ~~Elan~~ Incorporated (FZE)

Mr. Georgekutty Kochuthekkethil Thomas
(Manager)



The report of the auditors is set on page 4 to 6

Elan Incorporated (FZE)

SAIF Zone, Sharjah - UAE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st December 2020

	Note	Dec-20 AED	Dec-19 AED
Continuing Operations			
Sales			
Cost of Sales	F	48,607,128	47,711,731
Gross Profit	G	(41,793,117)	(40,099,198)
		6,814,011	7,612,533
Other Income			
	H	734,730	47,064
Operating Expenses			
Employee Cost & Benefits	I	(1,883,911)	(2,744,398)
General & Administration Expenses	J	(2,369,006)	(2,507,185)
Selling and distribution expenses	K	(18,546)	(97,356)
Depreciation on Property, Plant and Equipment		(17,252)	(229,034)
Total Operating Expenses		(4,288,715)	(5,577,973)
Operating Profit for the year		3,260,026	2,081,624
Financial Charges			
	L	(1,329,369)	(1,518,006)
Profit for the year		1,930,657	563,618
Other Comprehensive Income			
		-	-
Total Comprehensive Income For the year		1,930,657	563,618
Profit for the year:			
Attributable to Shareholders		1,930,657	563,618

The notes on pages 12 to 36 form an integral part of these financial statements.

These financial statements were approved on May 26, 2021.

For Elan Incorporated (FZE)

Mr. Georgekutty Kochuthekkethil Thomas
(Manager)

The report of the auditors is set on page 4 to 6



Elan Incorporated (FZE)

SAIF Zone, Sharjah - UAE

CASH FLOW STATEMENT

For the year ended 31st December 2020

	Dec-20 AED	Dec-19 AED
Cash Flow from Operating Activities		
Net Profit as per Profit & Loss Account	1,930,657	563,618
Adjustment for non-cash items		
Depreciation	3,196,611	3,382,479
Operating Cash Flow before changes in net operating assets	5,127,268	3,946,097
Changes in :		
(Increase) / Decrease in Inventory	(2,229,663)	(993,720)
(Increase) / Decrease in Trade & Other Receivables	(1,732,516)	536,995
(Increase) / Decrease in Due from Related Parties	(2,408,067)	(3,409,553)
(Increase) / Decrease in Other Current Assets	1,330,547	(2,244,561)
Increase / (Decrease) in Due to Related Parties	4,802,435	7,900,448
Increase / (Decrease) in Trade & Other Payables	(1,197,837)	(2,905,609)
Increase / (Decrease) in Other Current Liabilities	(188,816)	107,407
Increase / (Decrease) in Accruals & Provisions	85,533	(20,047)
Increase / (Decrease) in Provision from Employee Benefits	169,335	90,183
Cash generated from Operating Activities	(1,369,049)	(938,457)
Net Cash Flow from / (used) from Operating Activities	3,758,219	3,007,640
Cash flow from Financing Activities		
Increase / (Decrease) of Bank Borrowings	661,156	(1,028,954)
Increase / (Decrease) of Non Current Liabilities	(2,231,446)	(1,633,296)
Net Cash Flow from / (used) in Financing Activities	(1,570,290)	(2,662,250)
Cash flow from Investing Activities		
Net Changes in Property, Plant and Equipment	(1,307,105)	(184,505)
Net Cash Flow from / (used) in Investing Activities	(1,307,105)	(184,505)
Net increase / (decrease) in cash & cash equivalents	880,824	160,885
Cash & Cash equivalents in the beginning of the year	759,613	598,728
Cash & Cash equivalents at the end of the year	1,640,437	759,613

The notes on pages 12 to 36 form an integral part of these financial statements.
These financial statements were approved on May 26, 2021.

For Elan Incorporated (FZE)

Mr. Georgekutty Kocuthakkethil Thomas
(Manager)

The report of the auditors is set on page 4 to 6



Elan Incorporated (FZE)

SAIF Zone, Sharjah - UAE

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2020

Particulars	Share Capital	Retained Earnings	Total
	AED	AED	AED
Balance as on 01st January 2019	11,100,000	60,060,744	71,160,744
Net Movements of the year	-	-	-
Profit of the year	-	563,618	563,618
Balance as on 01st January 2020	11,100,000	60,624,362	71,724,362
Net Movements of the year	-	-	-
Profit of the year	-	1,930,657	1,930,657
Balance as on 31st December 2020	11,100,000	62,555,019	73,655,019

The notes on pages 12 to 36 form an integral part of these financial statements.

These financial statements were approved on May 26, 2021.

For Elan Incorporated (FZE)

Mr. Georgekutty Kochuthekkethil Thomas
(Manager)



The report of the auditors is set on page 4 to 6

Elan Incorporated (FZE)
SAIF Zone, Sharjah - UAE

Notes to the Financial Statements
As at 31st December 2020

1. Legal Status and Activities

- 1.1 M/s. Elan Incorporated (FZE), is a Free Zone Establishment with Limited Liability registered with the Sharjah Airport International Free Zone Authority, Government of Sharjah, UAE vide Commercial License No.: 09751 and Industrial License No. 02793. The original license was granted on the 28th day of March 2005.
- 1.2 The registered address of the Establishment is Plot of Land M3 - 7,9 & 11, P.O. Box 9410, Sharjah, UAE.
- 1.3 **The Owner of the Establishment is:**
M/s. Time Technoplast Limited (India), Incorporated in India : 100% Holder
- 1.4 Mr. Georgekutty Kochuthekkethil Thomas, Indian National has been appointed as the manager of the Establishment and shall take care of the day to day activities of the Establishment.
- 1.5 Elan incorporated FZE is a Free Zone entity located in SAIF Zone, Sharjah. It is having a Manufacturing Unit of Industrial packaging products. The company's product range covers blow-molded packaging products which include Intermediate Bulk Containers (IBC), Large size 200/235-liter drums, Medium, and Small size packaging, and Pails. We are also trading Polymer Raw Materials, Moulds, Techpaulin, etc.

2. Application of new and revised International Financial Reporting Standards (IFRS)

2.1 New and revised IFRSs effective for accounting periods beginning on or after 01st January 2020:

The following new and revised IFRSs which became effective for the annual years beginning on or after 01st January 2020 have been adopted in these financial statements.

Elan Incorporated (FZE)
 SAIF Zone, Sharjah - UAE

New and revised IFRSs	Summary of requirements
Amendment to IFRS 4 <i>'Insurance Contracts (Superseded)'</i>	IFRS 4 "Insurance Contracts" applies, with limited exceptions, to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. In light of the IASB's comprehensive project on insurance contracts, the standard provides a temporary exemption from the requirements of some other IFRSs, including the requirement to consider IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" when selecting accounting policies for insurance contracts.
Amendment to IFRS 7 <i>'Financial Instruments Disclosure'</i>	IFRS 7 "Financial Instruments: Disclosures" requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Specific disclosures are required in relation to transferred financial assets and a number of other matters.
Amendment to IFRS 9 <i>'Financial Instruments'</i>	Relating to prepayment features with negative compensations. This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised costs or depending on the business model at fair value through other comprehensive income) even in case of negative compensation payments.
Amendment to IFRS 16, <i>'Leases'</i>	Specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise 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.
Amendment to IFRS 17, <i>'Insurance Contracts'</i>	IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

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<p>IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors</p>	<p>The IASB tentatively decided to defer the effective date of IFRS 17, Insurance Contracts to annual periods beginning on or after January 1, 2022. [The IASB has also published</p> <p>IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.</p>
<p>IAS 39- Financial Instruments Recognition and Measurement</p>	<p>IAS 39 "Financial Instruments: Recognition and Measurement" outlines the requirements for the recognition and measurement of financial assets, financial liabilities, and some contracts to buy or sell non-financial items. Financial instruments are initially recognized when an entity becomes a party to the contractual provisions of the instrument, and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument (typically amortized cost or fair value). Special rules apply to embedded derivatives and hedging instruments.</p>

Elan Incorporated (FZE)
 SAIF Zone, Sharjah - UAE

2.2 New and revised IFRSs in issue but not effective:

The Establishment has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

New and Revised IFRSs	Effective for annual periods beginning on or after
IFRS 1 First Time Adoption of International Financial Reporting Standards	01 st January 2022
IFRS 3 Business Combinations	01 st January 2022
IAS 1 - Presentation of Financial statements	01 st January 2023
IAS 16 - Property, Plant & Equipment	01 st January 2022
IAS 37 - Provisions, Contingent Liabilities & Contingent Assets	01 st January 2022

Management anticipates that these new standards, interpretations and amendments will be adopted in the Establishment's financial statements as and when they are applicable and the adoption of these new standards, interpretations and amendments may have no material impact on the financial statements of the Establishment in the year of initial application.

3. Significant Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and applicable rules and regulation of the UAE Law and SAIF Zone Rules and Regulations. The significant accounting policies, which have been applied, are set out below:

a) Going concern basis of accounting

The financial statements have been prepared on a going concern basis, which assumes that the Establishment will be able to meet the mandatory repayment terms.

Elan Incorporated (FZE)
SAIF Zone, Sharjah – UAE

b) Application of IFRS 9 Financial Instruments

The Establishment has adopted IFRS 9 effective from 1 January 2018. IFRS 9 replaces IAS 39 and addresses the accounting for financial instruments including hedge accounting. IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVTOCI and FVTPL. IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The business model assessment was completed based on the facts and circumstances which existed at the initial date of application. IFRS 9 eliminates the existing IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale. Under IFRS 9, derivative embedded contracts where the host is a financial asset in the scope of IFRS 9 are never bifurcated. Instead, the whole hybrid instrument is assessed for classification.

The requirements for classification and measurement of financial liabilities under IFRS 9 are largely as existing under IAS 39.

IFRS 9 replaces the "incurred loss" model under IAS 39 with "expected credit loss" model as it relates to the impairment of financial assets. The new impairment model does not apply to equity investments.

IFRS 9 amends the requirements for hedge effectiveness and consequently the application of hedge accounting. The IAS 39 effectiveness test is replaced with a requirement for an economic relationship between the hedged item and the hedging instrument, and for the "hedged ratio" to be the same as that used by the Establishment for risk management purposes.

The new standard requires alignment between the risk management objective of an individual hedging relationship and the risk management strategy of the Establishment. When assessing hedge effectiveness under IFRS 9, the Establishment is required to ensure credit risk due to counterparty or own creditworthiness does not dominate the change in fair value of either the hedged item or the hedging instrument. Generally, the mechanics of hedge accounting remain unchanged.

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Impairment of financial assets

The Establishment has financial assets under "trade and other receivables" that are subject to the expected credit loss model under IFRS 9. The Establishment has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all trade receivables and financial investments. To measure the expected credit losses, trade receivables have been grouped based on similar credit risk characteristics and days past due. The revised impairment methodology has not resulted in additional credit loss in trade receivables and financial investments.

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively. However in accordance with transition provisions under IFRS 9, the Establishment has elected not to restate the comparative years.

c) Accounting Convention:

These financial statements have been prepared under the historical Cost convention. The accounting policies have been consistently applied by the Establishment.

d) Revenue recognition:

Income is recognized when it is earned, not necessarily when received. Expenses and charges have been recognized when it was incurred, not necessarily when paid.

Revenue from contracts with customers

IFRS 15 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRSs.

It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue as and when the Company satisfies a performance obligation.

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e) Leases:

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether and 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 on-balance sheet model.

The Establishment also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option and lease contracts for which the underlying asset is of low value.

f) Other Income

Other Income is recognized on an accrual basis or when the Establishment's right to receive payment is established.

g) Property, Plant & Equipment:

Property, Plant & Equipment is stated at historical cost less accumulated depreciation and identified impairment loss, if any. The cost comprises of purchase price, levies, duties and any directly attributable costs of bringing the asset to its working condition. The cost of Property, Plant and Equipment are depreciated using the Straight Line Value method after considering the economic lives of the Assets as follows.

• Furniture and Fittings	5 Years
• Factory Building	5 Years
• Moulds	5 Years
• Plant & Machinery	5 Years
• Motor Vehicles	5 Years
• Office Equipments	5 Years

The Carrying value of Property, Plant & Equipment is viewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining net profit.

Repairs and renewals are charged to the statement of profit or loss and other comprehensive income when the expenditure is incurred.

h) Related Party Transactions:

The Establishment, in its normal course of business, enters in to transactions with the companies that fall under the definition of "Related Party" of International Accounting Standard 24. Related parties comprise companies and entities under the common ownership and/or common management and in which control and management vested with the share holders or the key managerial personnel.

Balances with Related Parties included in the Statement of financial position are as follows:

<i>Entities Owned and Controlled by the Major Shareholder</i>	<i>Due from 2020 AED</i>	<i>Due from 2019 AED</i>
M/s. Al Nour Plastic Industrial Company	384,719	345,696
M/s. Core Plastic International	736,361	-
M/s. Ecotech Life Cycle Management LLC	1,121,182	137,621
M/s. Gulf Powerbeat W.L.L.	499,979	-
M/s. Nile Egypt Plastech Industries S.A.E	625,490	625,877
M/s. Time Technoplast Limited	232,950	-
M/s. Gnxt Investment Holdings Pte Ltd	22,775,870	22,710,042
M/s. Ikon Investment Holdings Ltd	3,459,186	3,464,157
M/s. Nile Egypt Plastech	1,285,375	1,287,300
M/s. Noor Plastic Industrial LLC	956,731	956,876
M/s. Tech Complast LLC	359,887	357,188
M/s. Technika Corporation FZE	5,958,044	5,921,664
M/s. PT Novo Complast	29,428	-
M/s. Exel Plastech Co.Ltd	-	73,068
M/s. Q-Pack Industries Sdn.Bhd.	-	137,846
TOTAL	38,425,202	36,017,135

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<i>Entities Owned and Controlled by the Major Shareholder</i>	Due to 2020 AED	Due to 2019 AED
M/s. Al Nour Plastic Industrial Company	181,991	-
M/s. Avion Exim Pvt. Ltd.	1,941,654	2,597,252
M/s. Ecotech Lifecycle Management LLC	1,233,850	-
M/s. Gulf Power Beat W.L.L	6,096,771	4,152,784
M/s. Pack Delta Public Company Limited	370,411	223,436
M/s. Q-Pack Industries Sdn.Bhd.	206,402	-
M/s. Time Technoplast Limited	5,608,547	3,696,940
M/s. YPA Thailand Ltd	22,675	222,480
M/s. Yung Hsin Contain Industry Co. Ltd	83,149	35,089
M/s. PT Novo Complast	-	15,034
TOTAL	15,745,450	10,943,015

Outstanding Balances at the year-end arise in the normal course of business. For the year ended 31st December 2020, the Establishment has not recorded any impairment of amounts owed by related parties. (2019: Nil/-)

i) Foreign Currency Transactions:

Foreign currency transactions are recorded in UAE Dirham at the approximate rate of exchange ruling at the time of the transaction. Assets and liabilities expressed in foreign currencies at the statement of financial position date are converted into UAE Dirham at the year end rate of exchange. All foreign currency gains and losses are booked in the statement of income as they arise.

j) Revenue:

Income represents the invoiced value of goods sold/services rendered during the year, net of discounts and returns.

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k) Inventory:

Inventory is stated at cost or net realizable value, whichever is lower. The cost of closing inventory is determined on the basis of FIFO method. Net Realizable Value represents the estimated selling price less all estimated cost of completion and cost of disposal. A general provision for slow moving items has been made and adjusted with the value of the closing stock. These provisions valued and determined by the management.

l) Trade receivables:

The schedule of Trade receivables represents amounts falling due as on the date of Statement of financial position. Trade receivables are normally requiring the amounts to be received above 90 days from the date of invoice. Bad debts are written off as and when they arise. The Management considers the all the trade receivables as good and hence has not made any provision for bad and Doubtful debts as on the date of Statement of Financial Position.

m) Employees' Terminal benefits:

Provision is made in accounts for end of service benefits due to employees in accordance with UAE federal labour Laws No (8) year 1980 and as per SAIF Zone rules & regulations. Provision is made for amounts payable under the UAE Labour Law applicable to employees Accumulated year of service at the statement of financial position date.

n) Rounding off:

The figures stated in the attached financial statements are rounded off to the nearest UAE Dirham.

o) Fair Value of financial instruments:

The value of all classes of financial assets and financial liabilities, as recorded in the statement of financial position approximate the fair value of these assets and liabilities.

p) General:

In the opinion of the management all the assets as shown in the financial statements are existing and realizable at the amount shown against and there are no liabilities against the Establishment contingent or otherwise not included in the above financial statements.

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q) Profit and Loss account:

The Establishment's profit is arrived at after charging all expenses, incurred in day to day operations of the business and in maintaining property, plant & equipment.

r) Trade payables:

The schedule of Trade payables represents amounts falling due as on the date of statement of financial position. Trade payables are normally settled above 90 days. Liabilities are recognized for amounts to be paid in the future for goods of services whether or not billed to the Establishment.

s) Inflationary Factor:

No adjustments have been made in these financial statements to identify the inflationary factor.

t) Key Sources of Estimation Uncertainty

The entity management set out the entity's overall business strategies and its risk management policy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the entity. The entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest risk, liquidity risk and credit risk). Periodic reviews are undertaken to ensure that the entity's policy guidelines are complied with.

There has been no change to the entity's exposure to the financial risks or the manner in which it manages and measures the risk.

The entity is exposed to the following risks related to financial instruments. The entity has not framed formal risk management policies; however, the risks are monitored by management on a continuous basis. The entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) Foreign Currency risk management

The entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

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b) Liquidity risk management

Ultimate responsibility for liquidity risk management rest with the management which has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date based on contractual repayment agreements were as follows:

	Interest Bearing			Non Interest Bearing			
Particulars	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	Total
As at 31 st December 2020							
Financial Assets							
Trade receivables	-	-	-	10,132,739	497,704	-	10,630,443
Cash and Bank Balances	-	-	-	1,640,437	-	-	1,640,437
TOTAL	-	-	-	11,773,176	497,704	-	12,270,880
Financial Liabilities							
Bank Borrowings	-	11,792,182	5,006,166	-	-	-	16,798,348
Trade payables	-	-	-	4,307,477	3,696,061	-	8,003,538
TOTAL	-	11,792,182	5,006,166	4,307,477	3,696,061	-	24,801,886

c) Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with the credit worthy counterparties. The Entity's exposure are continuously monitored and their credit exposure is reviewed by the management regularly and the entity maintains and allowances for doubtful debts based on expected collectability of all trade receivables.

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Trade receivables consist of a number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables. Further details of credit risk on trade and other receivable are disclosed in the notes to financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit- ratings assigned by international credit-ratings agencies.

The Establishment is exposed to credit risk on its bank balances, Trade receivables, Fixed Deposits and Advance to Suppliers as follows:

Particulars	31 st December 2020	31 st December 2019
	AED	AED
Cash at Bank	1,517,172	700,589
Trade Receivables	10,630,443	8,986,774
Fixed Deposits	1,420,002	1,413,225
Advance to Suppliers	682,132	1,118,718
TOTAL	14,249,749	12,219,306

The Establishment seeks to limit its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting limits for individual customers and monitoring outstanding trade receivable.

With respect to credit risk arising from the other financial assets of the Establishment, including cash and cash equivalents, the Establishment's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

d) Capital risk management

The Establishment's objectives when managing capital to safeguard the Establishment's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The director's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

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Consistent with others in the industry, the Establishment monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less Cash at Bank.

The Establishment manages its capital structure and makes adjustments to it, in light of changed in economic conditions. No Changes were made in the objectives, Policies or Processes during the years ended 31st December 2020 and 31st December 2019. Capital Consists of Share Capital and Retained Earnings measured at AED. 73,655,019/- as at 31st December 2020. (2019: AED. 71,724,362/-).

e) Impairment of Trade Receivable

An estimate of the collectible amount of trade receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

At the reporting date, gross trade receivable was AED. 10,630,443/- (2019: AED. 8,986,774/-), with provision for doubtful debts AED. NIL/- (2019: AED. 88,847/-). Any difference between the amounts actually collected in future periods and the amounts expected will be recognized in the statement of comprehensive income.

f) Impairment of Inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old and obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

At the reporting date, inventories were AED. 11,904,226/- (2019: AED. 9,674,563/-). Provision for old and obsolete inventories has been made for the year amounting to AED. NIL/- (2019: NIL/-).

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g) Useful Lives of Property and Equipment

The Establishment's management determines the estimated useful lives of its property and equipment for calculating depreciation. This Estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

u) Contingencies and commitments:

As at 31st December 2020 the Establishment doesn't have any commitment other than the cheques issued which is not yet presented in the bank.

v) Exchange Rate Risk:

Since the main currencies of the financial instruments, other assets, liabilities and trading transactions including purchase and sales are UAE Dirhams and US Dollars, the Establishment is not exposed to any significant exchange rate risk.

w) Financial Charges:

The Financial Charges includes finance cost charges, interest on loans, other charges related to finance and bank charges.

x) Corresponding Figures:

The corresponding figures of the previous year are comparable as these comprise the financial position and operating results for the year ended 31st December 2019 audited by another auditor, while the current figures comprised the financial position and operating results for the year ended 31st December 2020. Reclassification has been made wherever necessary, for the purpose of better presentation of financial information.

y) Subsequent Events:

There were no significant events subsequent to the year ended 31st December 2020 and occurring before the date of signing of the financial statements that would have a significant impact on these financial statements.

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4. Share Capital Account:

31st December 2020

Authorized, Subscribed, Issued, Paid up Share Capital;

- (74 shares of Dhs. 150,000/- each)

AED 11,100,000/-

Held By

M/s. Time Technoplast Limited, Incorporated in India

74 Shares

AED 11,100,000/-

Total

74 Shares

AED 11,100,000/-

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Notes to the Financial Statements

31st December 2020

5. Property, Plant and Equipment

	Furnitures & Fittings AED	Capital Work- -In Progress AED	Factory Building AED	Moulds AED	Plant & Machinery AED	Motor Vehicles AED	Office Equipments AED	Total AED
Cost								
Opening Value	356,721	597,291	9,354,054	15,789,494	22,216,583	1,798,231	393,744	50,506,118
Additions	-	-	-	200,300	1,105,196	-	1,609	1,307,105
Total Cost	356,721	597,291	9,354,054	15,989,794	23,321,779	1,798,231	395,353	51,813,223
Depreciation								
Accumulated as on 01st January 2020	356,721	-	3,599,016	7,637,083	7,735,110	1,787,646	388,686	21,504,262
Charge for the year	-	-	467,703	1,578,949	1,132,707	10,585	6,667	3,196,611
Accumulated as on 31st December 2020	356,721	-	4,066,719	9,216,032	8,867,817	1,798,231	395,353	24,700,873
Closing Value								
As on 31st December 2019	-	597,291	5,755,038	8,152,411	14,481,473	10,585	5,058	29,001,856
As on 31st December 2020	-	597,291	5,287,335	6,773,762	14,453,962	-	-	27,112,340
Allocation of Depreciation								
Cost of Revenue	3,179,359							
Operating Expenses	17,252							
	3,196,611							

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31st December 2020

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	Dec-20 AED	Dec-19 AED
6. Investments in Equity		
M/s. Technika Corporation FZE , Sharjah	5,976,750	5,976,750
M/s. Nile Egypt Plastic Industries	3,708,527	3,708,527
M/s. Noor Plastic Industrial LLC	6,278,648	6,278,648
M/s. Ecotech Life Cycle Management LLC	1,856,518	1,856,518
	17,820,443	17,820,443
<i>Proportion of Equity Interest in above subsidiaries:</i>		
M/s. Technika Corporation FZE , Sharjah	100.00%	100.00%
M/s. Nile Egypt Plastic Industries	63.14%	63.14%
M/s. Noor Plastic Industrial LLC	99.00%	99.00%
M/s. Ecotech Life Cycle Management LLC	49.00%	49.00%
7. Cash and Cash Equivalents		
Cash in hand	123,265	59,024
Cash at Bank	1,517,172	700,589
	1,640,437	759,613
Cash and Cash Equivalents are items, which are readily convertible to known amounts of Cash and which are subject to insignificant risk of change in value.		
<i>Bank Reconciliation :</i>		
Bank Balance as per bank statement	1,556,156	700,589
Add: Cheque deposited but not cleared by bank	61,653	-
Less: Cheque Issued but not cleared	(100,637)	
Bank balance as per books of Accounts	1,517,172	700,589
8. Trade & Other Receivable		
Trade Receivables	10,630,443	8,986,774
Less: Provision for Bad and Doubtful Debts	-	(88,847)
	10,630,443	8,897,927
<i>Ageing Analysis:</i>		
0 - 30 days	9,414,557	8,187,577
31 - 60 days	526,032	299,399
61 - 90 days	192,150	128,987
Above 90 days	497,704	370,811
	10,630,443	8,986,774

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Notes to the Financial Statements

	Dec-20	Dec-19
	AED	AED
The company uses an allowance account when recognizing impairment losses on its receivables unless otherwise determined that the likelihood of collection is remote, in which the Company directly charges the loss against its receivables. The company writes off receivables if after exhausting prudent collection procedures, the Management assessed that the possibility of collection is remote.		

The Management considers the all the trade receivables as good and hence has not made any provision for bad and Doubtful debts as on the date of Statement of Financial Position.

9. Inventory

Value of Stock of Materials	9,879,508	7,754,391
Finished Goods	2,024,718	1,920,172
	11,904,226	9,674,563

Verification of stocks were carried out by the management at regular intervals to ascertain the existence of slow-moving items, etc. No Provision for slow moving items have been made in the books of accounts as there are no slow moving items forming part of the inventory.

* The above inventories are kept as lien against the facilities mentioned in Note No. 12

10. Due from Related Parties

M/s. Al Nour Plastic Industrial Company	384,719	345,696
M/s. Core Plastic International	736,361	-
M/s. Ecotech Life Cycle Management LLC	1,121,182	137,421
M/s. Gulf Powerbeat W.L.L	499,979	-
M/s. Nile Egypt Plastech Industries S.A.E	625,490	625,877
M/s. Time Technoplast Limited	232,950	-
M/s. Gnxt Investment Holdings Pte Ltd	22,775,870	22,710,042
M/s. Ikon Investment Holdings Ltd	3,459,186	3,464,157
M/s. Nile Egypt Plastech	1,285,375	1,287,300
M/s. Noor Plastic Industrial LLC	956,731	956,876
M/s. Exel Plastech Co.Ltd	-	73,068
M/s. Q-Pack Industries Sdn.Bhd.	-	137,846
M/s. Tech Complast LLC	359,887	357,188
M/s. Technika Corporation FZE	5,958,044	5,921,664
M/s. PT Novo Complast	29,428	-
	38,425,202	36,017,135

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31st December 2020

Notes to the Financial Statements

	Dec-20	Dec-19
	AED	AED

The company, in its normal course of business, enters in to transactions with companies that fall under definition of "Related Party" of International Accounting Standard 24. Related parties comprise companies & entities under common ownership and/or common management & in which control & management is vested with shareholders or key managerial personnel. Such transactions are in normal course of business and at terms that correspond to those on normal arms-length transactions with third parties.

Transactions related to Related Parties Included in financial statements are as follows:

Receivables Against Revenue	3,600,682	1,319,907
Receivables Against Loans & Advances	34,824,520	34,697,228
	38,425,202	36,017,135

11. Other Current Assets

Refundable Deposits	2,721,011	1,557,720
Fixed Deposits	1,420,002	1,413,225
Advance to Staff	7,877	-
Advance to Suppliers	682,132	1,118,718
VAT Receivable	469,681	2,128,636
Loans, Advances & Prepayments	2,422,998	2,835,949
	7,723,701	9,054,248

12. Bank Borrowings

Overdraft	8,845,570	8,845,259
Term Loan	7,866,833	9,297,167
Vehicle Loan	85,945	200,533
	16,798,348	18,342,959

(i) Bank Borrowings - Current Portion

Overdraft	8,845,570	8,845,259
Term Loan	2,860,667	2,145,500
Vehicle Loan	85,945	140,267
	11,792,182	11,131,026

(ii) Bank Borrowings - Non Current Portion

Term Loan	5,006,166	7,151,667
Vehicle Loan	-	85,945
	5,006,166	7,237,612

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Notes to the Financial Statements

31st December 2020

Bank Borrowings are secured by :

- (i) Pledge of 51% Shares of the company.
- (ii) Corporate Guarantee of M/s. Time Technoplast Ltd, & M/s. Gulf Powerbeat WLL.
- (iii) Assignment of insurance on stock in favour of bank
- (iv) Corporate Guarantee of the company for the credit exposure to M/s. Gulf Powerbeat WLL.
- (v) Undated Security cheque equivalent to exposure not covered by cash collateral.
- (vi) Mortgage of Plant & Machinery to the tune of USD 19.95Mn

13. Due to Related Parties

	Dec-20 AED	Dec-19 AED
M/s. Al Nour Plastic Industrial Company	181,991	-
M/s. Avion Exim Pvt. Ltd.	1,941,654	2,597,252
M/s. Ecotech Lifecycle Management LLC	1,233,850	-
M/s. Gulf Power Beat W.L.L	6,096,771	4,152,784
M/s. Pack Delta Public Company Limited	370,411	223,436
M/s. Q-Pack Industries Sdn.Bhd.	206,402	-
M/s. Time Technoplast Limited	5,608,547	3,696,940
M/s. YPA Thailand Ltd	22,675	222,480
M/s. P T Novo Complast	-	15,034
M/s. Yung Hsin Contain Industry Co. Ltd	83,149	35,089
	15,745,450	10,943,015

The company, in its normal course of business, enters in to transactions with the companies that fall under the definition of "Related Party" of International Accounting Standard 24. Related parties comprise companies and entities under the common ownership and/or common management and in which control and management is vested with the shareholders or key managerial personnel. Such transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions with third parties.

Transactions related to Related Parties Included in financial statements are as follows:

Payables against Purchase of Goods	15,745,450	10,943,015
	15,745,450	10,943,015

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Notes to the Financial Statements

31st December 2020

	Dec-20 AED	Dec-19 AED
14. Trade & Other Payables		
Trade Payables	8,003,538	9,201,375
	8,003,538	9,201,375
<i>Ageing Analysis:</i>		
0 - 30 days	2,221,436	4,708,770
31 - 60 days	659,286	40,640
61 - 90 days	1,426,755	94,197
Above 90 days	3,696,061	4,357,768
	8,003,538	9,201,375
15. Other Current Liabilities		
Advance from Customers	9,503	233,319
Refundable Deposits	35,000	-
	44,503	233,319
16. Accruals & Provisions		
Accrued Expenses	320,527	234,994
	320,527	234,994
17. Provision for Employee Benefits		
Provision for Employee Benefits	689,417	520,082
	689,417	520,082
<i>Provision for Employee Benefits</i>		
Balance as at the beginning of the year	520,082	520,082
Add: Additions made during the year	260,981	-
Less: Payments made during the year	(91,646)	-
Balance as at the end of the year	689,417	520,082

The Provision for end of service benefits for employees is made in accordance with the requirements of the UAE Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on the length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

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Notes to the Financial Statements

31st December 2020

	Dec-20 AED	Dec-19 AED
18. Retained Earnings		
Balance at the beginning of the year	60,624,362	60,060,744
Add: Net profit for the year	1,930,657	563,618
Balance at the end of the year	62,555,019	60,624,362
F. Sales		
Sales	48,607,128	47,711,731
	48,607,128	47,711,731
VAT Analysis:		
Standard Rated Sales	503,277	393,037
Zero Rated	2,068,166	5,645,379
Out of Scope	46,035,685	41,673,315
	48,607,128	47,711,731
G. Cost of Sales		
Opening Stock	1,920,172	2,729,968
Raw Material Consumed (i)	27,243,051	25,087,278
Direct Expenses (Wages, Utility, Lease Rent and Other Exp)	8,183,825	7,745,189
Depreciation	3,179,359	3,153,445
Packing, Clearing & Forwarding Charges	3,291,428	3,303,490
	43,817,835	42,019,370
Closing Stock	2,024,718	1,920,172
	41,793,117	40,099,198
(i) Raw Material Consumed		
Opening Stock of Raw Materials	7,754,391	5,950,875
Add: Purchases	29,368,168	26,890,794
	37,122,559	32,841,669
Closing Stock of Raw Materials	9,879,508	7,754,391
	27,243,051	25,087,278

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Notes to the Financial Statements

31st December 2020

	Dec-20 AED	Dec-19 AED
H. Other Income		
Interest Income	7,752	33,975
Consultancy Fees Received	367,250	-
Discount Received	130,620	-
Quality Claim Receivable	64,509	-
Insurance Claim	38,648	-
Bad Debts Recovered	88,847	-
Miscellaneous income	37,104	13,089
	734,730	47,064
I. Employee Cost & Benefits		
Salaries & Benefits	1,883,911	2,744,398
	1,883,911	2,744,398
J. General and Administration Expenses		
Rent, Storage & Accommodation	113,094	103,901
Electricity & Water Charges & Other Utility Charges	139,057	232,466
Insurance Charges	164,465	30,133
Repairs & Maintenance	404,972	447,257
Communication Cost	24,541	-
Bad Debts Written Off	-	7,655
License, Professional, Visa & Other Legal Charges	1,268,663	1,222,077
Printing & Stationery	47,332	-
Prepaid Exp Written Off	482	351,620
Claims Paid	114,614	-
Travelling & Conveyance Expenses	64,350	94,077
General Expenses	27,436	17,999
	2,369,006	2,507,185
K. Selling and distribution expenses		
Business Promotion Expenses	18,546	97,356
	18,546	97,356
L. Financial Charges		
Finance Cost *	1,329,369	1,518,006
	1,329,369	1,518,006

* Finance Cost represents interest on loans, bank charges and Exchange Fluctuation

Elan Incorporated (FZE)
SAIF Zone, Sharjah - UAE

Performance Analysis

31st December 2020

Particulars	Dec-20 AED	Dec-19 AED
Sales	48,607,128	47,711,731
Cost of Sales	41,793,117	40,099,198
Gross Profit	6,814,011	7,612,533
Gross Profit Ratio	14.02%	15.96%
Other Income	734,730	47,064
Indirect Expenses	5,618,084	7,095,979
Net Profit	1,930,657	563,618
Net Profit Ratio	3.97%	1.18%
Depreciation	17,252	229,034
Cash Profit	1,947,909	792,652
Liquidity Ratios		
Current Ratio	1.96	2.03
Current Assets/ Current Liabilities		
Quick Ratio or Liquid Ratio	0.34	0.30
(Cash + Marketable Securities + Accounts receivables) / Current Liabilities		
Leverage		
Debt-to-Equity Ratio	0.56	0.55
Total Debt/ Shareholders Equity		
Debt-to-Asset Ratio	0.36	0.36
Total Liabilities / Total Assets		
RATES OF RETURN		
Return on Equity	0.03	0.01
Net Income/ Total Shareholders Equity		
Return on Assets	0.03	0.01
Net Income/ Total Average Assets		