

BAYMANCO INVESTMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

BAYMANCO INVESTMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS	PAGE(S)
CORPORATE DATA	1
COMMENTARY OF THE DIRECTORS	2
CERTIFICATE FROM THE SECRETARY	3
INDEPENDENT AUDITORS' REPORT	4 - 7
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	8
STATEMENT OF FINANCIAL POSITION	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 38

BAYMANCO INVESTMENTS LIMITED**CORPORATE DATA**

		Date of Appointment	Date of Resignation
DIRECTORS:	Jayant Shripad Gadgil	August 22, 2016	-
	Jaideep Pandit	August 22, 2016	-
	Chia Puay San	August 22, 2016	-
	Sevin Chendriah	August 22, 2016	-
	Savinilorna Payandi-Pillay Ramen	May 7, 2018	-
SECRETARY:	IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street 11324, Port Louis Republic of Mauritius		
REGISTERED OFFICE:	C/o IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street 11324, Port Louis Republic of Mauritius		
AUDITORS:	KPMG KPMG Centre 31 Cybercity Ebène Republic of Mauritius		
BANKER:	Absa Bank (Mauritius) Limited International Banking 3rd Floor, Absa House 68-68A Cybercity Ebène Republic of Mauritius		

BAYMANCO INVESTMENTS LIMITED**COMMENTARY OF THE DIRECTORS**
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their commentary, together with the audited financial statements of BAYMANCO INVESTMENTS LIMITED (the “Company”) for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of investment holding.

RESULTS AND DIVIDENDS

The Company’s profit for the year under review is **USD 7,088,341** (2021: USD 15,913,702). The directors do not propose the payment of any dividend for the year under review (2021: Nil).

DIRECTORS

The present membership of the Board is set out on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Global Business Licence, as described in note 2(a) to the financial statements, 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.

The directors have made an assessment of the Company’s ability to continue as a going concern and the impact of COVID-19 pandemic as per note 19 and have no reason to believe that the business will not be a going concern in the year ahead.

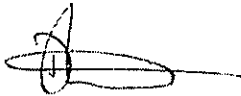
AUDITORS

The auditors, KPMG, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

SECRETARY'S CERTIFICATE FOR THE YEAR ENDED 31 MARCH 2022

3.

We certify, to the best of our knowledge and belief, that **BAYMANCO INVESTMENTS LIMITED** (the "Company") has filed with the Registrar of Companies all such returns, for the year ended 31 March 2022, as are required of the Company under the Mauritius Companies Act 2001 in terms of Section 166(d).



.....
for **IQ EQ CORPORATE SERVICES (MAURITIUS) LTD**
CORPORATE SECRETARY

Date: 13 July 2022



KPMG
KPMG Centre
31, Cybercity
Ebène
Mauritius
Telephone +230 406 9999
Telefax +230 406 9988
BRN No. F07000189
Website www.kpmg.mu

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BAYMANCO INVESTMENTS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BAYMANCO INVESTMENTS LIMITED (the Company), which comprise the statement of financial position as at 31 March 2022 and the statement of profit or loss and 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 8 to 38.

In our opinion, the financial statements of BAYMANCO INVESTMENTS LIMITED for the year ended 31 March 2022 are prepared in all material respects, in accordance with the requirements of Mauritius Companies Act applicable to a company holding a Global Business Licence, as described in note 2(a) to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to note 2(a) to the financial statements, which describes the basis of accounting. These are the Company's statutory financial statements and have been prepared in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Global Business Licence. Our opinion is not modified in respect of this matter.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BAYMANCO INVESTMENTS LIMITED**

Report on the Audit of the Financial Statements

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Data, Commentary of the Directors and Certificate from the Secretary, but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and presentation of these financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Global Business Licence, as described in note 2(a) to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the or to cease operations, or have no realistic alternative but to do so.

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



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BAYMANCO INVESTMENTS LIMITED**

Report on the Audit of the Financial Statements

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BAYMANCO INVESTMENTS LIMITED**

Report on the Audit of the Financial Statements

Use of Our Report

This report is made solely to the Company's member, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member, those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

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

KPMG
Ebène, Mauritius

Ashvin D. Acharuz
Licensed by FRC

Date: 14 July 2022

BAYMANCO INVESTMENTS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 USD	2021 USD
Income			
Dividend income		585	124,276
Reversal of Impairment loss on Investment in Associate (net)	7	7,135,432	15,816,630
		<u>7,136,017</u>	<u>15,940,906</u>
Expenses			
Audit fees		6,800	5,680
Professional fees		15,730	13,040
Bank charges		2,285	1,010
Administrative expenses		1,215	1,260
Foreign exchange loss		16,135	-
		<u>42,165</u>	<u>20,990</u>
Profit before tax		7,093,852	15,919,916
Tax expense	6	(5,511)	(6,214)
Profit for the year		7,088,341	15,913,702
<i>Other comprehensive income, net of tax</i>			
<i>Item that will not be reclassified to profit or loss:</i>			
Other investments at FVOCI – net loss on fair value	8	(28,066)	-
Total comprehensive income for the year		7,060,275	15,913,702

The notes on pages 12 to 38 form an integral part of these financial statements.

BAYMANCO INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	<u>2022</u>	<u>2021</u>
		USD	USD
Assets			
Investment in associates	7	172,286,856	51,348,052
Other Investment	8	73,164	101,230
Non-current assets		<u>172,360,020</u>	<u>51,449,282</u>
Cash and cash equivalents	9	805,798	3,235,877
Other receivables	10	-	19,485
Current assets		<u>805,798</u>	<u>3,255,362</u>
Total assets		<u>173,165,818</u>	<u>54,704,644</u>
Equity			
Share capital	11	1,000	1,000
Fair value reserve	8	(28,066)	-
Retained earnings/(accumulated losses)		2,136,985	(4,951,356)
Total shareholder's equity/(deficit)		<u>2,109,919</u>	<u>(4,950,356)</u>
Liabilities			
Loans from related parties	12	-	59,650,000
Non-current liability		<u>-</u>	<u>59,650,000</u>
Loans from related parties	12	171,050,000	-
Other payables	13	5,899	5,000
Current liabilities		<u>171,055,899</u>	<u>5,000</u>
Total liabilities		<u>171,055,899</u>	<u>59,655,000</u>
Total equity and liabilities		<u>173,165,818</u>	<u>54,704,644</u>

These financial statements have been approved by the Board of Directors on 13 July 2022 and signed on its behalf by:



 Director



 Director

The notes on pages 12 to 38 form an integral part of these financial statements.

BAYMANCO INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Share capital USD	Fair Value Reserve USD	Retained earnings / (accumulated losses) USD	Total equity USD
Balance at 01 April 2020	1,000	-	(20,865,058)	(20,864,058)
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	15,913,702	15,913,702
Balance at 31 March 2021	1,000	-	(4,951,356)	(4,950,356)
Balance at 01 April 2021	1,000	-	(4,951,356)	(4,950,356)
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	7,088,341	7,088,341
Other comprehensive income				
Net change in fair value of other investments at FVOCI	-	(28,066)	-	(28,066)
<i>Total comprehensive income for the year</i>	-	(28,066)	7,088,341	7,060,275
Balance at 31 March 2022	1,000	(28,066)	2,136,985	2,109,919

The notes on pages 12 to 38 form an integral part of these financial statements.

BAYMANCO INVESTMENTS LIMITED**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 USD	2021 USD
Cash flows from operating activities			
Profit before tax		7,093,852	15,919,916
<i>Adjustments for:</i>			
Dividend income		(585)	(124,276)
Impairment reversal on Investment in Associate	7	(7,135,432)	(15,816,630)
<i>Changes in:</i>			
Other payables		899	680
Other receivables		19,485	(19,485)
Tax paid		(5,511)	(6,214)
Net cash used in operating activities		(27,292)	(46,009)
Cash flows from investing activities			
Dividend income		585	124,276
Purchase of investment in associate	7	(113,803,372)	(6,879,284)
Purchase of of investment in National Peroxide Limited		-	(101,230)
Net cash used in investing activities		(113,802,787)	(6,856,238)
Cash flows from financing activities			
Proceeds of loan from related parties	12	115,500,000	10,000,000
Repayment of loan from related parties	12	(4,100,000)	-
Net cash generated from financing activities		111,400,000	10,000,000
Net (decrease)/increase in cash and cash equivalents			
		(2,430,079)	3,097,753
Cash and cash equivalents at beginning of the year		3,235,877	138,124
Cash and cash equivalents at end of the year	9	805,798	3,235,877

The notes on pages 12 to 38 form an integral part of these financial statements.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1. Reporting entity

BAYMANCO INVESTMENTS LIMITED (the “Company”) has been incorporated on 22nd August 2016 in the Republic of Mauritius as a private company limited by shares in accordance with the Mauritius Companies Act. The address of the registered office is Les Cascades Building, 33, Edith Cavell Street, 11324, Port Louis.

The principal activity of the Company is that of investment holding.

The Company is the holder of a Global Business Licence under the Financial Services Act 2007.

2. Basis of preparation

(a) Statement of Compliance

The Company has an investment in associate and in accordance with International Financial Reporting Standards is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, Content and form of financial statements, these financial statements present the financial position, financial performance and cash flow of the Company. Because the Company is a holder of a Global Business Licence and is a wholly owned subsidiary of another company, these financial statements are prepared in accordance with Mauritius Companies Act which allows the use of International Financial Reporting Standards (“IFRS”) and interpretations adopted by the International Accounting Standards Board (IASB), except for the standard applicable to Investments in Associates (IAS 28).

(b) Basis of measurement

The financial statements have been prepared on the going concern basis using the historical cost convention, except for certain financial assets and financial liabilities which are stated at fair value.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (“USD”) which is the Company’s functional currency and presentation currency.

(d) Use of estimates and judgements

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 those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Impairment of investment in associates

Management carries out a regular review to determine whether there is any indication that its investment in associates suffered any impairment. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment, which is then recognised in profit or loss. Management checks whether there is objective evidence that the assets are impaired and whether the fair values have declined. Management estimates of the impairment are based on critical evaluation

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

2. Basis of preparation (continued)*(d) Use of estimates and judgements (continued)**Impairment in investments in associates (continued)*

of the economic circumstances involved, historical experience and other factors considered to be relevant. Also at reporting date when there is an indication that an impairment loss may have decreased, the recoverable amount of the asset is estimated in order to determine the extent of reversal of impairment.

(e) Going Concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis. Refer to Note 19 for more details.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

*(a) Foreign currency transactions**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 the entity operates and one in which it primarily generates and expends cash (the "functional currency"). If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company's investments and transactions are denominated in the United States Dollar ("USD").

Contributions from its shareholders and distributions are received and paid in USD and the performance of the Company is measured in USD terms. The income and expenses of the Company are denominated and settled in USD. Therefore, the directors have determined that the functional currency of the Company is the USD and the financial statements are presented in USD.

Transactions and balances

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

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of their fair value gain or loss item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(b) Financial assets and financial liabilities****Recognition and initial measurement**

Financial assets at fair value through profit or loss are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities, including Financial assets at Fair Value through Other Comprehensive Income (“FVOCI”) are recognised initially when they are originated.

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in profit or loss. Financial assets and financial liabilities not at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

Classification*Financial assets and financial liabilities*

On initial recognition, the Company classifies financial assets as measured at amortised cost, at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Financial liabilities are measured at either FVTPL or at amortised cost. At the reporting date, the Company did not have financial liabilities measured at FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The objective of the Company’s business model is to hold assets only to collect cash flows, or to collect cash flows and to sell (the Business Model test), and
- The contractual cash flows of an asset give rise to payments on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding (the SPPI test).

All other financial assets are classified as measured at FVOCI.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)

(b) *Financial assets and financial liabilities (continued)*

Classification (continued)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

The Company has determined that it has two business model:

- Held-to-collect business model: this includes cash and cash equivalents and receivables. These financial assets are held to collect contractual cash flow.

Further the Company has elected to measure its investment in associates at cost less impairment. For other investment, the Company elected to classify and measure other investment at FVOCI.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

Assessment whether contractual cash flows are SPPI (continued)

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Company classified its financial assets and financial liabilities into following categories:

- Financial assets at fair value through profit or loss: Nil
- Financial assets at amortised cost: cash and cash equivalents and other receivables
- Financial liabilities at amortised cost: other payables and loan from related parties
- Financial assets at fair value through other comprehensive income: other investment

Subsequent measurement

Category	Subsequent measurement
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. Interest income is recognised in 'finance income', foreign exchange gains and losses are recognised in 'exchange difference' and impairment is recognised in 'expected credit losses' in the statement of profit or loss and other comprehensive income. Any gain or loss on derecognition and modification is also recognised in profit or loss.
Financial liabilities at amortised cost	These financial liabilities are subsequently measured at amortised cost using the effective interest method.
Financial assets at Fair Value through Other Comprehensive Income	These assets are subsequently measured at fair value. Net gains and losses, including any interest income expense and foreign exchange are recognised in other comprehensive income as 'gain/(loss) on fair valuation of investments at FVOCI in the statement of profit or loss and other comprehensive income. Dividend income on such instruments is disclosed as a separate line item in the statement of profit or loss and other comprehensive income.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(b) Financial assets and financial liabilities (continued)****Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable input and minimise the use of unobservable input. The chosen valuation technique incorporates all of the factors that market participant would take into account in pricing a transaction.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability at initial recognition. When calculating the effective interest rate, the Company estimates the future cash flows considering all contractual terms of the financial instruments but not the future credit losses.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)

(b) Financial assets and financial liabilities (continued)

Impairment

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default:

- when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising assets (if any is held); or
- the financial asset is more than 90 days past due.

All financial assets that are receivable from related parties are considered to have low credit risk. The Company also considers its cash at bank to have low credit risk based on the external credit ratings of the financial institution with which cash is held.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)

(b) Financial assets and financial liabilities (continued)

Impairment (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer
- it is probable that the borrower will enter bankruptcy or other financial reorganisation
- the underlying project is put on hold
- breach of contract such as a default or being more than 90 days past due

Presentation of allowance for ECLs 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.

Derecognition and modification

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. Realised gain is calculated based on proceeds realised on disposal of investments less its cost. The cost is based on weighted average cost.

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(b) Financial assets and financial liabilities (continued)****Derecognition and modification (continued)**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

The Company recalculates the gross carrying amount of financial assets and recognises a modification gain or loss in profit or loss when the contractual cash flows are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset.

The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

There is no offsetting of financial instruments applied as on reporting in the statement of financial position.

(c) Investment in associates

The Company's interests in equity-accounted investee comprise interests in associates.

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Investment in associates are shown at cost less impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to profit or loss as impairment loss. Where the estimated recoverable amount increases and there are indications of reversal of impairment, a reversal of impairment loss is recognised in profit or loss to the extent of the carrying amount of the investment does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(d) Other investment

The Company's other equity investment in National Peroxide Limited is not held for trading has been designated at the date of initial recognition as measured at fair value through other comprehensive income. Gains and losses on the fair value of the investment are recorded as other comprehensive income or loss and are accumulated as fair value reserve in equity.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(e) Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

(f) Provisions

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as the finance cost.

(g) Expenses

All expenses are recognised in profit or loss on an accrual basis.

(h) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(i) Dividend income

Dividend income is recognised when the right to receive payment is established. For unquoted securities, this is usually the date when the shareholders have approved the payment of a dividend.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(j) Income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are 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

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or receivable in respect of previous years. Current tax assets and liabilities are offset only if certain criteria are met.

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 the following temporary differences: 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, and differences relating to investments in associates to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognised for unused tax losses, 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 utilised. Deferred tax assets are reviewed at the end of each reporting period 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.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

3. Significant accounting policies (continued)**(j) Income tax (continued)**

Deferred tax assets and liabilities are offset only if certain criteria are met. Deferred tax assets and deferred tax liabilities are offset if, and only if, the entity has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity, or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize 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.

4. New and amended Standards that are effective for the current year

The following new and amended Standards and Interpretations are mandatory for the first time for the financial year beginning 01 April 2021:

- IFRS 16: COVID - 19 Related Rent Concessions (Amendment to IFRS 16)
- Various: Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

Management has assessed the impact of these new and revised Standards and Interpretations and concluded that none of these has an impact on the financial statements.

5. New standards, interpretations, and amendments to published standards not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 April 2022 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *FOR THE YEAR ENDED 31 MARCH 2022*

5. New standards, interpretations, and amendments to published standards not yet effective (continued)

Amendments to IAS 1 and IFRS Practice Statement 2

The IASB has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements;
- accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The IASB also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are consistent with the refined definition of material.

The amendments are effective from 1 January 2023 but may be applied earlier.

The Directors are currently assessing the impact of this amendment on the financial statements and do not expect any significant impact on the Company's financial statements.

Annual Improvements to IFRS Standards 2018-2020

IFRS 9 Financial Instruments - The amendment clarifies that for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The Directors are currently assessing the impact of this standard on the financial statements and do not expect any significant impact on the Company's financial statements.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5. New standards, interpretations, and amendments to published standards not yet effective (continued)

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. The amendments are to be applied retrospectively from the effective date.

The Directors are currently assessing the impact of this standard on the financial statements and do not expect any significant impact on the Company's financial statements.

Definition of accounting estimates (Amendments to IAS 8)

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates.
- Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The IASB clarified that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

The effects of changes in inputs and/or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Company applies the amendments.

The Directors are currently assessing the impact of this amendment on the financial statements and do not expect any significant impact on the Company's financial statements.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2022

6. Tax expense

The Company holds a Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Entities which had obtained their Global Business Licence on or before 16 October 2017, including the Company, would have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed foreign tax credit") on its foreign source income resulting in a maximum effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of Shares.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be 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.

India

As a tax resident of Mauritius, the Company expects to obtain benefits under the double taxation treaty between India and Mauritius ("DTAA"). To obtain benefits under the double taxation tax treaty, the Company must meet certain tests and conditions, including the establishment of Mauritius tax residence and related requirements. The Company has obtained a tax residence certificate ("TRC") from the Mauritius Revenue Authority, renewable annually and believes such certification is determinative of its resident status for treaty purposes.

Following the amendments to India-Mauritius treaty made on 10 May 2016, taxation rights on capital gains from disposal of shares has been shifted from Mauritius to India effective from 01 April 2017 and there has been the implementation of Long-Term Capital Gain Tax (LTCGT) in India on long term capital gains.

However, investments made by Mauritius structures up to 31 March 2017 shall be grandfathered and thus exempted from capital gains tax in India irrespective of the date of disposal.

In addition, based on the update in the Finance bill in India in April 2018, the cost of acquisition for the long-term capital asset acquired on or before 31st of January 2018 shall be the actual cost. However, if the actual cost is less than the fair market value of such asset as on 31st of January 2018, the fair market value shall be deemed to be the cost of acquisition. Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, shall be deemed to be the cost of acquisition. It has also been clarified that the holding period for computation of LTCG shall be counted from the date of acquisition.

At the reporting date, there were no provision for capital gains tax required as the investment in associates are carried at cost less impairment and a fair value loss was recognised in respect of other investment.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
*FOR THE YEAR ENDED 31 MARCH 2022***6. Tax expense (continued)**

The tax charge based on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	<u>2022</u>	<u>2021</u>
	USD	USD
Profit before tax	<u>7,093,852</u>	<u>15,919,916</u>
Tax effect at 15%	1,064,078	2,387,987
Less: Non-taxable income (reversal of impairment)	(1,070,315)	(2,372,494)
Underlying tax	-	13,417
Deferred tax asset not recognised	6,237	-
Withholding tax suffered	87	6,214
Under provision of prior year tax	3,099	-
Tax paid for the current year under Advance payment system	2,325	-
Foreign tax suffered/(credit)	-	(28,910)
	<u>5,511</u>	<u>6,214</u>

Deferred tax asset in respect of carry forward tax losses have not been recognised as it is not probable that future taxable profit will be available against which tax losses may be utilised.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Investment in associates

(a)

	2022	2021
	USD	USD
<i>Cost</i>		
At 01 April	58,483,484	51,604,200
Addition during the year	113,803,372	6,879,284
At 31 March	<u>172,286,856</u>	<u>58,483,484</u>
<i>Impairment / Reversal of impairment</i>		
At 01 April	(7,135,432)	(22,952,062)
For the year	7,135,432	15,816,630
At 31 March	<u>-</u>	<u>(7,135,432)</u>
<i>Carrying amount at 31 March</i>	<u>172,286,856</u>	<u>51,348,052</u>

The directors have reviewed the investment in Bombay Dyeing & Manufacturing Company Ltd for impairment and have reversed the impairment by USD 7,135,432 (2021: USD 15,816,630) in the current year based on the improvement of Bombay Dyeing & Manufacturing Company Ltd's quoted share price during the year.

The directors have reviewed the investment in Go Airlines (India) Ltd for impairment and consider that this new investment has not suffered impairment at year end.

(b) Details of investments are as follows:

Name of investee <u>company</u>	Type and number of shares	Country of <u>incorporation</u>	Nominal value of <u>investments</u> USD	% Holding 2022	% Holding 2021
Bombay Dyeing & Manufacturing Company Ltd	Equity 53,607,000 (2021: 53,607,000)	India	58,483,484 (2021: 58,483,484)	25.96%	25.96%
Go Airlines (India) Ltd	Equity 65,075,000 (2021: -)	India	113,803,372 (2021: -)	29.24%	-

The Company holds 25.96% (2021: 25.96%) of share capital of Bombay Dyeing & Manufacturing Company Ltd in the current year. The shares of the investee are listed on Bombay Stock Exchange and National Stock Exchange in India.

The Company took additional loan from Leila Lands Ltd, a related party, in the current year and subscribed for preferential allotment of upto 65,075,000 equity shares of INR 10 each at the issued price of INR 130 each, amounting to a consideration of USD 113,803,372 in Go Airlines (India) Limited, a related party, as per the terms of the Private Placement Offer Cum Application Letter.

The Company holds 29.24% (2021: Nil) of share capital of Go Airlines (India) Ltd at the end of the current year. The investee company is a privately held company.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Other Investment

	<u>2022</u> USD	<u>2021</u> USD
<i>Cost</i>		
At 01 April	101,230	-
Addition during the year	-	101,230
At 31 March	<u>101,230</u>	<u>101,230</u>
<i>Fair Valuation</i>		
At 01 April	-	-
Fair value (loss)/gain recognised in other comprehensive income	(28,066)	-
At 31 March - Fair value reserve	<u>(28,066)</u>	<u>-</u>
<i>Fair Value at 31 March</i>	<u>73,164</u>	<u>101,230</u>

Details of investment is as follows:

<u>Name of investee company</u>	<u>Type and number of shares</u>	<u>Country of incorporation</u>	<u>Nominal value of investments</u> USD	<u>% Holding 2022</u>	<u>% Holding 2021</u>
National Peroxide Limited	Equity 3,500	India	101,230	0.06%	0.06%

The Company holds 0.06% (2021: 0.06%) of share capital of National Peroxide Limited in the current year. The shares of the investee are listed on Bombay Stock Exchange in India.

9. Cash and cash equivalents

	<u>2022</u> USD	<u>2021</u> USD
Cash at bank	<u>805,798</u>	<u>3,235,877</u>

10. Other receivables

	<u>2022</u> USD	<u>2021</u> USD
Other receivables	<u>-</u>	<u>19,485</u>

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
*FOR THE YEAR ENDED 31 MARCH 2022***11. Share capital**

	<u>2022</u>	<u>2021</u>
	USD	USD
Issued and fully paid (10 Ordinary shares of USD 100 each)	1,000	1,000

There were no movements in the issued share capital of the Company in either the 2022 or 2021 reporting periods. The Company has one class of ordinary shares which carry no right to fixed income.

- (i) the right to one vote on a poll at a meeting of the Company on any resolution;
- (ii) the right to an equal share in dividends authorised by the Board;
- (iii) the right to an equal share in the distribution of the surplus assets of the Company.

12. Loans from related parties

	<u>2022</u>	<u>2021</u>
	USD	USD
Loan from Leila Lands Limited	160,440,000	49,040,000
Loan from Naira Holdings Limited	10,610,000	10,610,000
	171,050,000	59,650,000

During the current year, there was an additional loan of USD 115,500,000 (2021: USD 10,000,000) in cash from related parties and cash repayment of existing loan of USD 4,100,000. The loans from related parties are unsecured, interest free and have no fixed repayment terms. In 2021, it was mutually agreed between the parties that the loans will not be recalled within the next twelve months. For the current year, given that no such agreement was mutually made, the balance has been reclassified to current in the statement of financial position. During the year ended 31 March 2021, the loans had been subordinated in favour of other creditors until such time that the Company was in financial capacity to settle the loans.

13. Other payables

	<u>2022</u>	<u>2021</u>
	USD	USD
Audit Fees	5,899	5,000

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Financial instruments

(a) Fair values

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities.

	<u>Carrying Amount</u>		<u>Fair Value</u>	
	<u>Financial Assets</u>	<u>Financial Liabilities</u>	<u>Financial Assets</u>	<u>Financial Liabilities</u>
2022	USD	USD	USD	USD
Other investment	73,164	-	73,164	-
Cash and cash equivalents	805,798	-	805,798	-
Total	878,962	-	878,962	-

Loans from related parties	-	171,050,000	-	171,050,000
Other payables	-	5,899	-	5,899
Total	-	171,055,899	-	171,055,899

	<u>Carrying Amount</u>		<u>Fair Value</u>	
	<u>Financial Assets</u>	<u>Financial Liabilities</u>	<u>Financial Assets</u>	<u>Financial Liabilities</u>
2021	USD	USD	USD	USD
Other investment	101,230	-	101,230	-
Cash and cash equivalents	3,235,877	-	3,235,877	-
Other receivables	19,485	-	19,485	-
Total	3,356,592	-	3,356,592	-

Loans from related parties	-	59,650,000	-	59,650,000
Other payables	-	5,000	-	5,000
Total	-	59,655,000	-	59,655,000

Fair value hierarchy

Fair value measurements are classified into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value. The hierarchy prioritises the inputs to valuation techniques used to measure fair value based on their observable or unobservable nature. The three levels are as follows:

Level 1 - valued using quoted prices in active markets for identical financial instruments.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within level 1.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Financial instruments (continued)

(a) Fair values (continued)

Fair value hierarchy (continued)

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised. The fair value hierarchy of other financial assets and financial liabilities not measured at fair value is not disclosed as their fair value approximate their carrying amount.

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2022				
Financial assets at fair value through other comprehensive income	73,164	-	-	73,164
<hr/>				
2021				
Financial assets at fair value through other comprehensive income	101,230	-	-	101,230
<hr/>				

(b) Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

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

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

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Financial instruments (continued)**(b) Financial risk management (continued)****Market risk**

Market risk is the risk that the changes in market prices, such as foreign exchange rates and interest rates 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.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has financial instruments which are denominated in United States Dollar except for other investment which is not material and therefore no sensitivity analysis has been presented in these financial statements.

Consequently, the Company is not exposed to significant currency risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is not exposed to the risk of changes in market interest rates as the loans from related parties are interest free and cash and cash equivalents are not placed as deposits with banks.

Price risk

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Company is exposed to equity securities price risk in respect to investments classified as fair value through other comprehensive income.

The Company has invested in equity shares of National Peroxide Limited which is a listed company on the National Stock Exchange and Bombay Stock Exchange of India. The investment value is therefore directly linked to the movement in equity share price of National Peroxide Limited.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

14. Financial instruments (continued)

(b) Financial risk management (continued)

Market risk (continued)

Sensitivity of price analysis

The Board's best estimate of the effect on net assets and net profit due to a reasonably possible change in equity prices, with all other variables held constant, is as follows:

2022		2021	
% change in equity price	Effect on net assets and profit USD	% change in equity price	Effect on net assets and profit USD
+ 20%	14,633	+ 20%	20,246
- 20%	(14,633)	- 20%	(20,246)

Credit risk

It relates to risk of financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is its cash and cash equivalents and other receivables.

With respect to credit risk arising from financial assets which mainly comprise of cash and cash equivalents, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets. The Company's exposure to credit risk is minimal as it banks with Absa Bank (Mauritius) Limited, a reputable financial institution with credit rating as per Moody's rating for deposits of Ba1.

	2022 USD	2021 USD
Cash at bank	805,798	3,235,877

Liquidity risk

It relates to risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain sufficient cash resources to meet its obligations as and when they fall due.

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

14. Financial instruments (continued)

(b) Financial risk management (continued)

Liquidity risk (continued)

The table below summarises the maturity profile of the Company's financial liabilities at 31 March 2022 and 2021 based on contractual undiscounted payments:

Year ended 31 March 2022	<u>Less than 12 months USD</u>	<u>> 1 year USD</u>	<u>Total USD</u>
Loans from related parties	171,050,000	-	171,050,000
Other payables	5,899	-	5,899
Total	<u>171,055,899</u>	<u>-</u>	<u>171,055,899</u>
Year ended 31 March 2021	<u>Less than 12 months USD</u>	<u>> 1 year USD</u>	<u>Total USD</u>
Loans from related parties	-	59,650,000	59,650,000
Other payables	5,000	-	5,000
Total	<u>5,000</u>	<u>59,650,000</u>	<u>59,655,000</u>

15. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to the shareholder, return capital to the shareholder or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans from related parties; less cash and cash equivalents. Capital includes equity attributable to the equity holders of the parent.

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS***FOR THE YEAR ENDED 31 MARCH 2022***15. Capital risk management (continued)**

The gearing ratio at the year-end was as follows:	2022	2021
	USD	USD
Loans from related parties	171,050,000	59,650,000
Less cash and cash equivalents	(805,798)	(3,235,877)
Net debt	170,244,202	56,414,123
Share capital	1,000	1,000
Fair value reserve	(28,066)	-
Retained earnings /(accumulated losses)	2,136,985	(4,951,356)
	2,109,919	(4,950,356)
Capital and net debt	172,354,121	51,463,767
Gearing ratio	98.8%	109.6%

The Company reviews its capital structure regularly in light of changes in economic conditions and development plans. The Company may commit additional funds through related party loans.

16. Related party transactions

During the year under review, the Company transacted with related entities. The nature, volume of transactions and the balance with those entities are as follows:

(a) Related parties and nature of relationship:

Name of party	Description of relationship
Leila Lands Limited	Related Party (Fellow Subsidiary)
Naira Holdings Limited	Related Party (Fellow Subsidiary)
Bombay Dyeing & Manufacturing Company Ltd	Associate Company
Go Airlines (India) Ltd	Associate Company
National Peroxide Limited	Related Party (Same Promoter Group)
IQ EQ Corporate Services (Mauritius) Ltd	Management Company and Company Secretary

BAYMANCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Related party transactions (continued)

(b) Transactions during the year:

31 March 2022

Amounts in USD

		Related Parties	Associate Company	Management Company
1	Loan from			
	Leila Lands Limited (net)	111,400,000	-	-
2	Investment made in			
	Go Airlines (India) Ltd	-	113,803,372	-
3	Dividend Income			
	Bombay Dyeing & Manufacturing Company Ltd	-	585	-
4	Professional Fees			
	IQ EQ Corporate Services (Mauritius) Ltd	-	-	(13,730)
5	Director Fees			
	IQ EQ Corporate Services (Mauritius) Ltd	-	-	(2,000)

31 March 2021

Amounts in USD

		Related Parties	Associate Company	Management Company
1	Loan from			
	Leila Lands Limited	10,000,000	-	-
2	Investment made in			
	Bombay Dyeing & Manufacturing Company Ltd	-	6,879,284	-
	National Peroxide Limited	101,230	-	-
3	Dividend Income			
	Bombay Dyeing & Manufacturing Company Ltd	-	124,276	-
4	Professional Fees			
	IQ EQ Corporate Services (Mauritius) Ltd	-	-	(9,940)
5	Director Fees			
	IQ EQ Corporate Services (Mauritius) Ltd	-	-	(2,000)

(c) Balances due from/to the related parties:

As at 31 March 2022

Amounts in USD

		Related Parties	Associate Company	Management Company
1	Loan from			
	Leila Lands Limited	160,440,000	-	-
	Naira Holdings Limited	10,610,000	-	-

As at 31 March 2021

Amounts in USD

		Related Parties	Associate Company	Management Company
1	Loan from			
	Leila Lands Limited	49,040,000	-	-
	Naira Holdings Limited	10,610,000	-	-

BAYMANCO INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Holding and ultimate holding companies

The Company is a wholly owned subsidiary of Leila Lands Sdn. Bhd. a Company incorporated in Malaysia. The ultimate holding Company is the Bombay Burmah Trading Corporation Limited, a Company incorporated in India.

18. Consolidated financial statements

The ultimate holding Company, Bombay Burmah Trading Corporation Limited prepares consolidated financial statements, for public use, in accordance with Indian GAAP. The registered office of Bombay Burmah Trading Corporation Limited is 9, Wallace Street, Fort, Mumbai 400 001.

19. Going Concern and Impact of COVID-19

As at 31 March 2022, the Company has a profit of USD 7,088,341 (2021: USD 15,913,702) and as at that date, its total assets exceeded its total liabilities by USD 2,109,919 (2021: total liabilities exceeded total assets by USD 4,950,356). It is recorded that, as at 31 March 2022, Leila Lands Ltd and Naira Holdings Limited, the related parties, constituted the substantial creditors of the Company with USD 160,440,000 and USD 10,610,000 (2021: USD 49,040,000 and USD 10,610,000) respectively. It is noted that the listed investments of the Company adequately covers for the loan if required.

The Company was not significantly impacted by ongoing COVID-19 pandemic for the year ended 31 March 2022.

The directors have made an assessment of the Company as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but is not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

20. Impact of Ukraine-Russia Conflict

On February 24, 2022, Russia launched an invasion of Ukraine and, as a result, a number of countries (including the United States, the United Kingdom, and the European Union) imposed new sanctions against certain entities and individuals in Russia and Belarus. Additionally, the recent conflict in Ukraine has created challenges to businesses located and operating there. The directors have assessed the impact of the ongoing Russia/Ukraine conflict on the financial statements of the Company.

The directors believe that the ongoing events have no direct impact on the Company as there are no investments with headquarters located in either jurisdiction, nor are there any significant indirect impacts to other investments.

21. Subsequent events

There have been no significant events after the reporting date which requires disclosures or amendments to the financial statements for the year ended 31 March 2022.