

**DELTA HOSPITALITY AND  
ENTERTAINMENT MAURITIUS  
LIMITED**

FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021

**DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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## FOR THE YEAR ENDED 31 MARCH 2021

MANAGEMENT AND ADMINISTRATION

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		Date of appointment	Date of resignation
<b>DIRECTORS:</b>	Virrsing Ramdeny	8-Sep-08	-
	Koosoom Newoor	15-Oct-10	1-Jul-19
	Anoopreet Sobha	1-Jul-19	-

**SECRETARY:** Associated Consultants Ltd  
Level 3, GFin Tower  
42 Hotel Street, Cybercity  
Ebene, 72201  
Republic of Mauritius

**REGISTERED OFFICE:** Level 3, GFin Tower  
42 Hotel Street, Cybercity  
Ebene, 72201  
Republic of Mauritius

**AUDITORS:** BIT Associates  
Chartered Certified Accountants & Registered Auditors  
50 Avenue Des Mouettes  
Sodnac  
Quatre Bornes  
Republic of Mauritius

**BANKER:** SBM Bank (Mauritius) Ltd  
SBM Tower  
6, Queen Elizabeth II Avenue  
Port Louis  
Republic of Mauritius

**FOR THE YEAR ENDED 31 MARCH 2021**

**DIRECTORS' REPORT**

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The directors are pleased to present their annual report and audited financial statements of Delta Hospitality and Entertainment Mauritius Limited for the year ended March 31, 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is to hold investments.

**RESULTS AND DIVIDENDS**

The Company's loss for the year ended March 31, 2021 is **USD 11,580** (2020: Loss USD 8,992).

The directors do not recommend the payment of a dividend for the year under review.

**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 International Financial Reporting Standards have been followed and complied with, 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 have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The auditors, BIT Associates, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

**By Order of the Board**



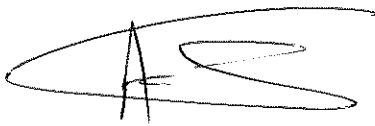
**SECRETARY**

Date: 19 APR 2021

**CERTIFICATE FROM THE SECRETARY  
UNDER SECTION 166(d) OF THE COMPANIES ACT 2001**

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We certify that, to the best of our knowledge and belief, the Company has filed with The Registrar of Companies, during the financial year ended March 31, 2021 all such returns as are required for a company under the Companies Act 2001.



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For and on behalf of Associated Consultants Ltd  
Company Secretary

Date: 19 APR 2021

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED

### Report on the audit of the Financial Statements

#### Opinion

We have audited the financial statements of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED (the Company), on pages 8 to 24 which comprise the statement of financial position as at March 31, 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 8 to 24 give a true and fair view of the financial position of the Company as at March 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, 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.

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express 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 and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED

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

**Other matter**

This report is made solely to the members of DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

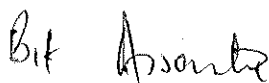
**Report on Other Legal and Regulatory Requirements**

*Companies Act 2001*

We have no relationship with, or interests in, the Company, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all 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.



**BIT ASSOCIATES**  
Chartered Certified Accountants  
& Registered Auditors

Quatre Bornes,  
Mauritius



**DWARKA SOOCHIT, FCCA, FCMA, CGMA**  
Licensed by FRC

Date: 19 APR 2021



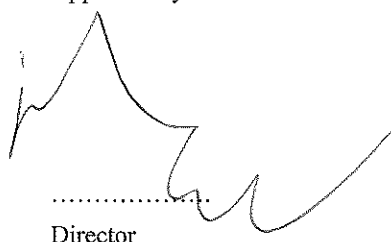
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## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

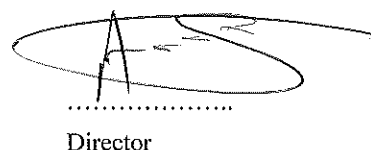
<u>ASSETS</u>		<u>2021</u> USD	<u>2020</u> USD
<b>Non-current assets</b>			
Investment in subsidiary	6	<u>4,485,000</u>	<u>4,485,000</u>
<b>Current assets</b>			
Loans to related party	7	100,000	100,000
Other receivables and amortised cost	8	83,776	82,264
Cash and cash equivalents	9	<u>2,098</u>	<u>2,090</u>
		<u>185,874</u>	<u>184,354</u>
<b>TOTAL ASSETS</b>		<u><u>4,670,874</u></u>	<u><u>4,669,354</u></u>
 <b><u>EQUITY AND LIABILITIES</u></b>			
<b>Capital and Reserves</b>			
Share capital	10	1,000,000	1,000,000
Accumulated deficit		<u>(161,126)</u>	<u>(149,546)</u>
Equity shareholder's interest		838,874	850,454
Preference share capital	10	<u>3,620,000</u>	<u>3,620,000</u>
		<u>4,458,874</u>	<u>4,470,454</u>
<b>Current liabilities</b>			
Borrowings	11	185,000	185,000
Accounts payable	12	<u>27,000</u>	<u>13,900</u>
		<u>212,000</u>	<u>198,900</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>4,670,874</u></u>	<u><u>4,669,354</u></u>

19 APR 2021

Approved by the Board of Directors on .....



.....  
Director



.....  
Director

The notes on pages 12 to 24 form an integral part of these financial statements.

Independent auditor's report is on pages 4 to 7.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021	2020
		USD	USD
<b>REVENUE:</b>			
Interest income		2,034	2,046
		<u>2,034</u>	<u>2,046</u>
<b>EXPENSES:</b>			
Administrative expenses		9,838	7,112
Accounting and audit fees		3,750	3,750
Bank charges		-	55
		<u>13,588</u>	<u>10,917</u>
Loss on foreign exchange		<u>(26)</u>	<u>(121)</u>
<b>Loss before taxation</b>		<b>(11,580)</b>	<b>(8,992)</b>
Taxation	13	-	-
<b>Total comprehensive loss for the year</b>		<u><b>(11,580)</b></u>	<u><b>(8,992)</b></u>

The notes on pages 12 to 24 form an integral part of these financial statements.  
Independent auditor's report is on pages 4 to 7.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	Ordinary share capital USD	Preference share capital USD	Revenue (deficit) USD	Total USD
Balance at 01 April 2019	1,000,000	3,620,000	(140,554)	4,479,446
Total comprehensive loss for the year	-	-	(8,992)	(8,992)
Balance at 31 March 2020	1,000,000	3,620,000	(149,546)	4,470,454
Total comprehensive loss for the year	-	-	(11,580)	(11,580)
<b>Balance at 31 March 2021</b>	<b>1,000,000</b>	<b>3,620,000</b>	<b>(161,126)</b>	<b>4,458,874</b>

The notes on pages 12 to 24 form an integral part of these financial statements.  
Independent auditor's report is on pages 4 to 7.

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		USD	USD
<b>Operating activities</b>			
Loss before taxation		(11,580)	(8,992)
Adjustments for:			
Changes in working capital:			
- Accounts payable		13,100	9,950
- Accounts receivable		(1,512)	(4,443)
Net cash absorbed in operating activities		<u>8</u>	<u>(3,485)</u>
<b>Net movement in cash and cash equivalents</b>		<u><u>8</u></u>	<u><u>(3,485)</u></u>
<b>Movements in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		2,090	5,575
Cash and cash equivalents at end of the year	9	2,098	2,090
<b>Net movement in cash and cash equivalents</b>		<u><u>8</u></u>	<u><u>(3,485)</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.  
Independent auditor's report is on pages 4 to 7.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. GENERAL INFORMATION**

**Delta Hospitality and Entertainment Mauritius Limited** is a limited liability company incorporated on September 8, 2008 and domiciled in Republic of Mauritius. It holds a Global Business Licence Category 1 issued under the Financial Services Act 2007. The Company's registered office address is at Level 3, GFin Tower, 42 Hotel Street, Cybercity, Ebene, Mauritius.

The Company is engaged in investment holding activities.

**2. BASIS OF PREPARATION**

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

The financial statements of the Company comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except that:

- (i) relevant financial assets and financial liabilities are stated at their fair values; and
- (ii) relevant financial assets and financial liabilities are carried at amortised cost.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

There were no major estimates and assumptions made during the year that have a significant risk of causing material adjustment to the carrying amounts of the Company's assets and liabilities within the next financial year.

**(b) Changes in accounting policies and disclosures**

*New and amended IFRS Standards that are effective for the current year*

*Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7*

In September 2019, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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2. BASIS OF PREPARATION (CONTINUED)

(b) Changes in accounting policies and disclosures

*New and amended IFRS Standards that are effective for the current year (continued)*

*Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7 (continued)*

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The amendments are not relevant to the Company and have no impact on the Company's financial statements.

*Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16*

In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- There is no substantive change to other terms and conditions of the lease.

The amendments have no impact on the Company's financial statements

*Impact of the initial application of other new and amended IFRS Standards that are effective for the current year*

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**2. BASIS OF PREPARATION (CONTINUED)**

**(b) Changes in accounting policies and disclosures (continued)**

*Amendments to References to the Conceptual Framework in IFRS Standards*

The Company has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

*Amendments to IFRS 3 Definition of a business*

The Company has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

*Amendments to IAS 1 and IAS 8 Definition of material*

The Company has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

2. BASIS OF PREPARATION (CONTINUED)

(b) Changes in accounting policies and disclosures (continued)

*Amendments to IAS 1 and IAS 8 Definition of material (continued)*

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

*New and revised IFRS Standards in issue but not yet effective*

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

IFRS 17	Insurance Contracts <i>Effective date: 1 January 2023</i>
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <i>Effective date: Not yet set by IASB</i>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current <i>Effective date: 1 January 2023</i>
Amendments to IFRS 3	Reference to the Conceptual Framework <i>Effective date: 1 January 2022</i>
Amendments to IAS 16	Property, Plant and Equipment—Proceeds before Intended Use <i>Effective date: 1 January 2022</i>
Annual Improvements to IFRS Standards 2018-2020 Cycle	Amendments to: IFRS 1 First-time Adoption of International Financial Reporting Standards <i>Effective date: 1 January 2022</i> IFRS 9 Financial Instruments <i>Effective date: 1 January 2022</i> IFRS 16 Leases <i>No effective date is stated</i> IAS 41 Agriculture <i>Effective date: 1 January 2022</i>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(a) Foreign currencies transactions**

*Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States Dollar ("USD") which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date 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 the statement of profit or loss.

**(b) Revenue recognition**

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

Dividend income - when the Company's right to receive payment is established. Dividend income are shown gross of any withholding taxes.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**(c) Expense recognition**

All expenses are accounted for in the statement of profit or loss and other comprehensive income on the accruals basis.

**(d) Current and deferred income tax**

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(d) Current and deferred income tax (continued)**

*Current tax*

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

*Deferred tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable amounts will be available against which deductible temporary differences and losses can be utilised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

**(e) Impairment of assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**(f) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(g) Financial assets**

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

The Company's accounting policies in respect of the main financial instruments are set out below:

*(i) Amortised Cost*

*Other receivables*

Other receivables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

*Cash and cash equivalents includes cash at bank*

Cash and cash equivalents includes cash in hand, deposits held at calls with banks, other short term highly liquid investments with original maturities of three months or less, and - for the purpose of statements of cashflows.

**(h) Financial liabilities**

The Company classifies its financial liabilities depending on the purpose for which the liability was acquired. The Company's accounting policy for other financial liabilities is as follows:

Short-term monetary liabilities are stated at fair value and subsequently measured at amortised cost using the effective interest method.

The Company's financial liabilities include the following:

*(i) Loan payable to holding company*

Loan payable to holding company is initially stated at fair value being its issue proceeds net of transaction costs incurred. Loan payable to holding company is subsequently stated at amortised cost.

*(ii) Other payables*

Other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

**(i) Stated Capital**

Ordinary shares are classified as equity.

**(j) Investments**

The financial statements include investments in companies which are not listed or quoted. In the absence of readily determinable fair values, the investments have been stated at cost. Because of the inherent uncertainty of the valuation of these investments, the actual proceeds from disposal of such investments could differ from these estimated valuations and such differences could be material.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the period of the revision and future periods if the revision affects both current and future periods.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**4.1 Key sources of estimation uncertainty**

With regards to the nature of the Company's business there were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**5. CONSOLIDATED FINANCIAL STATEMENTS**

The Company has taken advantage of the Fourteenth Schedule Part I (12) of the Companies Act 2001, which dispenses it from the need to present consolidated financial statements as the Company holds a Category 1 Global Business Licence and it is a wholly owned subsidiary of Delta Corp Limited.

Investment in subsidiary company is carried at cost less the carrying amount is reduced to recognise any impairment in the value of the individual investment. Details on the investment in subsidiaries are included under note 6.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>6. INVESTMENT IN SUBSIDIARY</b>	<u>2021</u>	<u>2020</u>
	USD	USD
At April 01 , and March 31	<u>4,485,000</u>	<u>4,485,000</u>

Details of investment in subsidiary are as follows:

Name of Company	Country of Incorporation	Type of shares	Year 2021 & 2020	
			Number of shares	Percentage Holding
Delta Hotels Lanka Ltd	Sri Lanka	Equity	5,750,000	100%

Investments in Delta Hotels Lanka Ltd has been stated at cost.

The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment.

<b>7. LOANS TO RELATED PARTY</b>	<u>2021</u>	<u>2020</u>
	USD	USD
Loan to related party	<u>100,000</u>	<u>100,000</u>

Loan to related party bears interest of 2% per annum.

<b>8. OTHER RECEIVABLES AT AMORTISED COST</b>	<u>2021</u>	<u>2020</u>
	USD	USD
Other receivables	<u>83,776</u>	<u>82,264</u>

The carrying amounts of other receivables approximate their fair value.

<b>9. CASH AND CASH EQUIVALENTS</b>	<u>2021</u>	<u>2020</u>
	USD	USD
Cash at bank	<u>2,098</u>	<u>2,090</u>

<b>10. SHARE CAPITAL</b>	Issued and fully paid	
	<u>2021</u>	<u>2020</u>
	USD	USD
10,000 Ordinary Shares	<u>1,000,000</u>	<u>1,000,000</u>
At March 31,	<u>1,000,000</u>	<u>1,000,000</u>

*Voting rights*

Each ordinary share shall entitle its holder to receive notice of, and to attend and vote at any meeting of the company.

*Rights relating to dividends*

Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

10. SHARE CAPITAL (CONT'D)

*Rights relating to repayment of capital*

Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the company.

<u>Preference share capital</u>	<u>2021</u>	<u>2020</u>
	USD	USD
36,200 0% Optionally Convertible Redeemable Preference shares	<u>3,620,000</u>	<u>3,620,000</u>

11. BORROWINGS

	<u>2021</u>	<u>2020</u>
	USD	USD
Shareholder's loan	<u>185,000</u>	<u>185,000</u>

These loans are interest free and repayable in demand.

12. ACCOUNTS PAYABLE

	<u>2021</u>	<u>2020</u>
	USD	USD
Other Payable and accruals	<u>27,000</u>	<u>13,900</u>

The carrying amounts of other payables and accruals approximate their fair value.  
The accounts payable is dominated in dollars.

13. TAXATION

Under the current laws and regulations, the Company is subject to tax in Mauritius on its chargeable income at a fixed rate of 15%. The Company is however eligible for a tax credit equivalent to the higher of actual foreign tax suffered and 80% of Mauritius tax payable on its foreign source income up to 01 January 2019 (the "date"). Post that date, the Company will be taxed at 15% and entitled to a partial exemption of 80% on specific types of income subject to meeting the following conditions of substance as prescribed under Regulations 23D of the Income Tax Regulation:

- (i) carries out its core income generating activities in Mauritius.
- (ii) employs, directly or indirectly, an adequate number of suitably qualified persons to conduct its core income generating activities; and
- (iii) incurs a minimum expenditure proportionate to its level of activities.

For the year ended 31 March 2021, the Company has an accumulated tax loss of USD 70,357 (2020 - accumulated tax loss: 67,676) and is therefore not liable to tax.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

#### 14. FINANCIAL INSTRUMENTS

##### *Capital risk management*

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of stated capital and accumulated losses.

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and other price risk), credit risk and liquidity risk.

##### (a) *Market risk*

##### (i) *Foreign exchange risk*

Foreign exchange 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 is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Sri Lanka Rupee (LKR). Foreign exchange risk arises from investments bank account that the Company holds in Sri Lanka, whose net assets are exposed to foreign currency translation risk.

##### *Foreign currency risk management*

The Company has investments and bank account which are denominated in Sri Lanka

##### *Currency profile*

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

	31-Mar-21		31-Mar-20	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	USD	USD	USD	USD
Sri Lanka Rupee	4,486,416	-	4,486,409	-
USD	184,458	212,000	182,945	198,900
	<b>4,670,874</b>	<b>212,000</b>	<b>4,669,354</b>	<b>198,900</b>

##### (ii) *Interest rate risk management*

As the Company has no significant interest-bearing assets, the Company's operating cash flows are substantially independent of the changes in market interest rates.

##### (iii) *Price risk*

The Company is not faced with any price risk.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

14. FINANCIAL INSTRUMENTS (CONTINUED)

(b) *Credit risk*

The Company has no significant concentration of credit risk.

(c) *Liquidity risk*

Liquidity risk is the risk that the Company is unable to meet its payment obligations, associated with its financial liabilities, when they fall due.

Ultimate responsibility for liquidity risk rests with the board of directors, who monitors the company's short, medium and long term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

Liquidity risk as at 31 March 2021

	Due on demand	Due for less than 1 year	More than 1 year	Total
	USD	USD	USD	USD
<i>Assets</i>				
Loans and advances	-	100,000	-	100,000
Accounts receivable	-	83,776	-	83,776
Cash and cash equivalents	2,098	-	-	2,098
	<u>2,098</u>	<u>183,776</u>	<u>-</u>	<u>185,874</u>
<i>Liabilities</i>				
Borrowings	-	185,000	-	185,000
Accounts payable	-	27,000	-	27,000
	<u>-</u>	<u>212,000</u>	<u>-</u>	<u>212,000</u>

(d) *Fair value estimation*

The carrying values for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**15. RELATED PARTY TRANSACTION**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions or if they are subject to common control.

For the year ended 31 March 2021, the transactions with related parties are as follows:

Related Parties	Relationship	Nature of Operations	Volume of Transactions	Balance at 31.03.2021
			USD	USD
Delta Corp Limited	Shareholder	Loan received	-	185,000
Delta Hotels Lanka Ltd	Subsidiary	Receivable	-	74,945
		Loan given	-	100,000
		Interest receivable	2,000	6,767

**16. COVID - 19 IMPACT**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

At this point, the company cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on the business, results of operations, financial position and cash flows.

**17. HOLDING COMPANY**

The Company is 100% controlled by Delta Corp Limited, a Company listed on the Bombay Stock Exchange Limited and National Stock Exchange of India.

**AUDITORS' CERTIFICATE**  
**FOR THE YEAR ENDED MARCH 31, 2021**

I certify that DELTA HOSPITALITY AND ENTERTAINMENT MAURITIUS LIMITED has fully complied with paragraph 9 (a) of the Company's Global Business Licence Category 1, namely that the Company has not re-invested into India, funds derived from sources within India.

*Bit Associates*

**BIT ASSOCIATES**  
Chartered Certified Accountants  
& Registered Auditors

Quatre Bornes,  
Mauritius

*Dwarka Soochit*

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