

Lexon Hotel Ventures Limited

Financial statements

31 March 2016

Lexon Hotel Ventures Limited

Financial statements

for the year ended 31 March 2016

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Lexon Hotel Ventures Limited

Corporate data

Directors:	Sharmil Shah Dhanun Ujoodha Amritesh Jatia Ajay Kumar Kedia
Company Secretary:	Kross Border Corporate Services Limited St Louis Business Centre Cnr Desroches & St Louis Streets Port Louis Mauritius
Registered office:	St Louis Business Centre Cnr Desroches & St Louis Streets Port Louis Mauritius
Auditors:	VBS Business Services 6 th Floor, Orchid Tower Sir William Newton Street Port Louis Mauritius
Bankers:	Barclays Bank Mauritius Limited 1 st Floor, Barclays House 68-68A Cybercity Ebène Mauritius DBS Bank Ltd 2 Changi Business Park Crescent 04 06 DBS Asia Hub Lobby B Singapore 486029

Lexon Hotel Ventures Limited

Directors' report

The directors are pleased to present their report together with the audited financial statements of Lexon Hotel Ventures Limited (the "Company") for the year ended 31 March 2016.

Activities of the Company

The activities of the Company are to engage in international trading, provide consulting and sourcing services, set up real estate and hospitality projects and act as an investment holding company.

Results

The results for the year are shown on page 7.

The directors do not recommend the payment of a dividend for the year under review (2015: USD Nil).

Statement of directors' responsibilities in respect of the financial statements

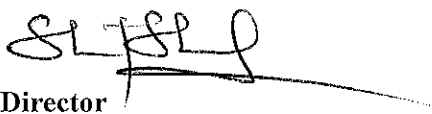
Company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company and of the profit or loss of the Company. In preparing those financial statements, the directors are required to:

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

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

By order of the Board


Director

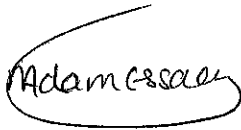
Date: 20 MAY 2016

Lexon Hotel Ventures Limited

Secretary's certificate
for the year ended 31 March 2016

Secretary's certificate under Section 166 (d) of the Companies Act 2001

In accordance with section 166 (d) of the Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Companies Act 2001.

A handwritten signature in black ink, which appears to read "Adam Essary", is enclosed within a hand-drawn oval.

For and on behalf of KROSS BORDER CORPORATE SERVICES LIMITED
Company Secretary

Date: 20 MAY 2016



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEXON HOTEL VENTURES LIMITED

Report on the financial statements

We have audited the financial statements of Lexon Hotel Ventures Limited (the "Company") on pages 7 to 24 which comprise the statement of financial position at 31 March 2016 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 a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEXON HOTEL
VENTURES LIMITED (CONTINUED)**

Report on the Financial Statements (Continued)

Basis for adverse opinion

Investments in subsidiary

The Company holds investments in a subsidiary and is required by International Financial Reporting Standards IFRS 10 Consolidated Financial Statements and the Mauritius Companies Act to prepare consolidated financial statements. As stated in note 16 to the financial statements, the Company has not prepared consolidated financial statements. The financial statements have been prepared on the same basis as separate financial statements, which are financial statements permitted in terms of International Financial Reporting Standards when an entity prepares consolidated financial statements. Separate financial statements are prepared on the basis that investments in subsidiary are recorded at cost (less impairment, if applicable) and income is recognised when dividends from the subsidiary are receivable. The effects of this departure from International Financial Reporting Standards and the Mauritius Companies Act are material and pervasive.

Adverse opinion

In our opinion, because of the significance of the effects of the matter described in the preceding paragraph, the financial statements do not give a true and fair view of the financial position of the Company as at 31 March 2016 and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritius Companies Act.

Other matter

This report, including the opinion, has been prepared for and only for, the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEXON HOTEL
VENTURES LIMITED (CONTINUED)**

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.

VBS Business Services
Chartered Certified Accountants

Port Louis, Mauritius

Date: 20 MAY 2016

Vijay Bhuguth, FCCA
Licensed by FRG

Lexon Hotel Ventures Limited

Statement of profit or loss and other comprehensive income for the year ended 31 March 2016

	Note	2016 USD	2015 USD
Revenue			
Consultancy fees receivable		-	302,794
		-----	-----
Expenses			
Professional fees		5,110	6,275
Accounting and audit fees		2,208	2,500
Licence fees		1,844	2,031
Bank charges		1,001	993
Sundries		260	1,668
Administrative charges		353	3,675
Consultancy fees payable		-	282,644
		-----	-----
		10,776	299,786
		-----	-----
(Loss)/ Profit from operating activities		(10,776)	3,008
Loan payable waived	13	6,655	-
Trade payable waived		31,730	-
		-----	-----
Profit before tax		27,609	3,008
Income tax expense	4	(1,738)	(90)
		-----	-----
Profit for the year		25,871	2,918
Other comprehensive income for the year		-	-
		-----	-----
Total comprehensive income for the year		25,871	2,918
		=====	=====

The notes on pages 11 to 24 form part of these financial statements.

Lexon Hotel Ventures Limited

Statement of financial position

as at 31 March 2016

	Note	2016 USD	2015 USD
ASSETS			
Non-current assets			
Investments in subsidiary	5	20,502,655	20,502,655
Current assets			
Loan to related party	6	-	1,000
Trade and other receivables	7	2,469	24,028
Cash and cash equivalents		10,706	33,043
Total current assets		13,175	58,071
TOTAL ASSETS		20,515,830	20,560,726
EQUITY AND LIABILITIES			
Equity			
Stated capital	8	1,650	1,650
Share premium	9	19,356,408	19,356,408
Retained earnings		134,630	108,759
Total equity		19,492,688	19,466,817
Liabilities			
Non-current liabilities			
Loan from related parties	10	1,002,227	1,028,232
Amount due to related party	11	15,327	15,327
Total non-current liabilities		1,017,554	1,043,559
Current liabilities			
Current tax liability	4	1,583	-
Trade and other payables	12	4,005	50,350
Total current liabilities		5,588	50,350
Total liabilities		1,023,142	1,093,909
TOTAL EQUITY AND LIABILITIES		20,515,830	20,560,726

Authorised for issue by the Board of Directors on 20 MAY 2016
and signed on its behalf by:


.....
Director


.....
Director

The notes on pages 11 to 24 form part of these financial statements.

Lexon Hotel Ventures Limited

Statement of changes in equity for the year ended 31 March 2016

	Stated capital USD	Share premium USD	Retained earnings USD	Total USD
Balance at 01 April 2014	1,650	19,356,408	105,841	19,463,899
Total comprehensive income for the year	-	-	2,918	2,918
Balance at 31 March 2015	1,650	19,356,408	108,759	19,466,817
Total comprehensive income for the year	-	-	25,871	25,871
Balance at 31 March 2016	1,650	19,356,408	134,630	19,492,688

The notes on pages 11 to 24 form part of these financial statements.

Lexon Hotel Ventures Limited

Statement of cash flows for the year ended 31 March 2016

	2016 USD	2015 USD
Cash flows from operating activities		
Profit before tax	27,609	3,008
<i>Adjustments for:</i>		
Loan payable waived	(6,655)	-
Trade payable waived	(31,730)	-
Expenses paid on behalf of the Company	-	40,963
Expenses paid on behalf of related party	-	(25,636)
Change in trade and other receivables	21,354	28,155
Change in trade and other payables	(14,615)	(14,500)
	-----	-----
<i>Cash (used in)/ from operating activities</i>	(4,037)	31,990
Tax paid	(155)	(358)
Tax refunded	205	-
	-----	-----
Net cash from operating activities	(3,987)	31,632
	-----	-----
Cash flows from investing activity		
Loan refunded by related party	1,000	-
	-----	-----
Net cash from investing activity	1,000	-
	-----	-----
Cash flows from financing activities		
Loan from related party	3,925	-
Loan repaid to related parties	(23,275)	-
	-----	-----
Net cash used in financing activities	(19,350)	-
	-----	-----
Net movement in cash and cash equivalents	(22,337)	31,632
Cash and cash equivalents at beginning of the year	33,043	1,411
	-----	-----
Cash and cash equivalents at end of the year	10,706	33,043
	=====	=====

The notes on pages 11 to 24 form part of these financial statements.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2016*

1. General information

Lexon Hotel Ventures Limited (the “Company”) was incorporated as a private limited company in Mauritius on 04 March 2004 and holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company’s registered office is St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius.

The activities of the Company are to engage in international trading, provide consulting and sourcing services, set up real estate and hospitality projects and act as an investment holding company.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), except for non-compliance with IFRS 10: Consolidated Financial Statements.

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis, except that financial assets and financial liabilities are carried 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.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

3. Significant accounting policies

The principal accounting policies adopted are as follows:

Revenue recognition

Revenue is recognised on the following bases:

Dividend income: when the shareholder’s right to receive payment is established.

Interest income: on a time proportion basis using the effective interest method.

Consultancy fees: recognised in the year in which it is receivable.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements

for the year ended 31 March 2016

3. Significant accounting policies (continued)

Income tax expense

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

Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- 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 reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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 each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

Other income

Other income consisted of trade and other payable waived during the year under review.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

3. Significant accounting policies (continued)

Financial instruments

Financial instruments carried on the statement of financial position include loan to related party, trade and other receivables, cash and cash equivalents, loan from related parties, amount due to related party and, trade and other payables. The particular recognition methods are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which the Company is a party are provided in note 14.

Loan to related party

Loan to related party is recognised at proceeds issued net of transaction costs.

Trade and other receivables

Trade and other receivables are stated at their nominal amount as reduced by appropriate allowances for estimated irrecoverable amount.

Cash and cash equivalents

Cash comprises of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Loan from related parties

Loan from related parties are recognised at proceeds received net of repayments and transaction costs.

Amount due to related party

Amount due to related party is recognised at proceeds received net of repayments and transaction costs.

Trade and other payables

Trade and other payables are stated at cost.

Stated capital

Ordinary shares

Ordinary shares are classified as equity.

Impairment of assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting year. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For listed and unlisted equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

3. Significant accounting policies (continued)

Impairment of assets (continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the year.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

Investments in subsidiary

A subsidiary is an entity controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiary are shown at cost and provision is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States Dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

3. Significant accounting policies (continued)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the net asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

New and amendment to existing standards effective 01 April 2015

The following standards have been adopted by the Company for the first time for the year beginning on 01 April 2015:

IAS 24, 'Related Party Disclosures', is amended to include as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

New standards, interpretations and amendments to existing standards in issue but not yet effective

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 01 April 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 9, 'Financial Instruments'

IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income. For liabilities designated at fair value through profit or loss, IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 01 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2016*

3. Significant accounting policies (continued)

New standards, interpretations and amendments to existing standards in issue but not yet effective (continued)

IFRS 7, 'Financial Instruments - Disclosures'

IFRS 7, 'Financial Instruments - Disclosures', provide specific guidance for transferred financial assets to help management determine whether the terms of a servicing arrangement constitute 'continuing involvement' and, therefore, whether the asset qualifies for derecognition. It also provides additional disclosures relating to the offsetting of financial assets and financial liabilities only need to be included in interim reports if required by IAS 34. The annual improvements to IFRSs, 2012-2014 cycles, is effective for accounting periods beginning on or after 01 January 2016.

Amendments to IAS 1, 'Presentation of Financial Statements'

Amendments to IAS 1, 'Presentation of Financial Statements', are made in the context of the IASB's Disclosure Initiative, which explores how financial statement disclosures can be improved. The amendments provide clarifications on a number of issues, including materiality, disaggregation and subtotals, notes and other comprehensive income. The standard is effective for accounting periods beginning on or after 01 January 2016.

Amendments to IAS 27, 'Separate Financial Statements'

Amendments to IAS 27, 'Separate Financial Statements', allow entities to use the equity method in their separate financial statements to measure investments in subsidiaries, joint ventures and associates. IAS 27 currently allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or as a financial asset in their separate financial statements. The amendments introduce the equity method as a third option. The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). The standard is effective for accounting periods beginning on or after 01 January 2016.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

4. Income tax expense

The Company is subject to income tax in Mauritius at the rate of 15% on its chargeable income. However, the Company is entitled to a tax credit equivalent to the higher of the foreign tax suffered or a presumed foreign tax credit on its foreign source income. The presumed tax credit is 80%, thus resulting in an effective tax rate of 3%. For the year under review, a provision for income tax amounting to USD 1,738 has been made in the accounts (2015: USD 90).

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2016

4. Income tax expense (continued)

	2016 USD	2015 USD
<i>Reconciliation of effective tax</i>		
Profit before tax	27,609	3,008
Income tax at 15%	4,141	451
Add: Non-allowable expense	4,554	-
Less: Exempt income	(7)	-
Foreign tax credit	(6,950)	(361)
Tax payable	1,738	90
<u>Tax liability/ (Tax receivable)</u>		
At start of year	(205)	63
Current year tax expense	1,738	90
Tax paid during the year	(155)	(358)
Tax refunded during the year	205	-
At end of year	1,583	(205)

5. Investments in subsidiary

Investments consist of unquoted shares.

	2016 USD	2015 USD
<i>Cost:</i>		
At start/ end of year	20,502,655	20,502,655

Details of investments in subsidiary are as follows:

<i>Name of investee company</i>	<i>Type and number of shares</i>	<i>% held</i>	<i>Country of incorporation and operation</i>
Leading Hotels Ltd	20,826,929 equity shares of INR 10 each	99.76	India

On 22 April 2014, 3,131,540 shares of INR 10 each held by the Company in Leading Hotels Ltd were pledged in favour of IDBI Bank as the latter has granted credit facilities amounting to INR 750,000,000 to Asian Hotels (North) Ltd.

6. Loan to related party

	2016 USD	2015 USD
Unsecured, interest-free loan to Deuchny Properties Ltd and repayable on demand	-	1,000

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2016

7. Trade and other receivables

	2016 USD	2015 USD
Trade receivables	-	7,525
Advance payment	-	15,860
Prepayments	2,469	438
Tax receivable	-	205
	<u>2,469</u>	<u>24,028</u>

8. Stated capital

	2016 Number of shares of USD 1 each	2015 Number of shares of USD 1 each	2016 USD	2015 USD
At start/ end of year	<u>1,650</u>	<u>1,650</u>	<u>1,650</u>	<u>1,650</u>

1,106 ordinary shares of USD 1 each held by Fineline Hospitality & Consultancy Pte Ltd in the Company has been pledged with DBS Bank Ltd, New Delhi Branch for having granted a loan of INR 5,100,000,000 to Asian Hotels (North) Ltd (ultimate holding company). The terms and conditions regarding the pledge are defined in the Share Pledge Agreement dated 17 September 2013 and 26 June 2014.

9. Share premium

	2016 USD	2015 USD
On issue of 650 shares of USD 1 each at a premium of USD 29,779.09 per share	<u>19,356,408</u>	<u>19,356,408</u>

10. Loan from related parties

	2016 USD	2015 USD
<i>Long term:</i>		
Unsecured, interest-free loan from director with no fixed repayment terms	988,302	988,302
Unsecured, interest-free loan from Fineline Hospitality & Consultancy Pte Ltd with no fixed repayment terms	10,000	20,000
Unsecured, interest-free loan from RSJ Holdings Ltd with no fixed repayment terms	-	13,275
Unsecured, interest-free loan from Poly China Trading Ltd with no fixed repayment terms	-	6,655
Unsecured, interest-free loan from Deuchny Properties Ltd with no fixed repayment terms	3,925	-
	<u>1,002,227</u>	<u>1,028,232</u>

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

11. Amount due to related party

	2016 USD	2015 USD
Amount due related party, Heyking Ltd	15,327	15,327

The amount due to related party is unsecured, interest-free and has no fixed repayment terms.

12. Trade and other payables

	2016 USD	2015 USD
Trade payables	-	47,546
Accrued expenses	4,005	2,804
	<u>4,005</u>	<u>50,350</u>

13. Related party transactions

During the year under review, the Company had the following transactions with related entities. Details of the nature, volume of transactions and balances with the entities were as follows:

	2016 USD	2015 USD
<i>Loan to entity controlled by director, Deuchny Properties Ltd</i>		
Balance at start of year	1,000	1,000
Amount refunded during the year	(1,000)	-
Balance at end of year	<u>-</u>	<u>1,000</u>
<i>Loan to entity controlled by director, Deuchny Properties Ltd</i>		
Balance at start of year	-	-
Amount received during the year	3,925	-
Balance at end of year	<u>3,925</u>	<u>-</u>
<i>Loan from director</i>		
Balance at start/ end of year	<u>988,302</u>	<u>988,302</u>
<i>Loan from holding company, Finline Hospitality & Consultancy Pte Ltd</i>		
Balance at start of year	20,000	20,000
Amount repaid during the year	(10,000)	-
Balance at end of year	<u>10,000</u>	<u>20,000</u>

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

13. Related party transactions (continued)

	2016 USD	2015 USD
<i>Loan from entity controlled by director, RSJ Holdings Ltd</i>		
Balance at start of year	13,275	13,275
Loan repaid during the year	(13,275)	-
	-----	-----
Balance at end of year	-	13,275
	=====	=====
<i>Loan from entity controlled by director, Poly China Trading Ltd</i>		
Balance at start of year	6,655	6,655
Loan waived during the year	(6,655)	-
	-----	-----
Balance at end of year	-	6,655
	=====	=====
<i>Amount due to entity controlled by director, Heyking Ltd</i>		
Balance at start of year	15,327	-
Expenses paid on behalf of the Company	-	40,963
Expenses paid on behalf of related party	-	(25,636)
	-----	-----
Balance at end of year	15,327	15,327
	=====	=====
<i>Trade receivable from subsidiary, Leading Hotels Ltd</i>		
Balance at start of year	7,525	50,525
Consultancy fees charge for the year	-	302,794
Amount waived during the year	-	(345,794)
Amount paid	(7,525)	-
	-----	-----
Balance at end of year	-	7,525
	=====	=====

14. Financial instruments and associated risks

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

- Market risk
- Credit risk
- Liquidity risk

The Board of directors has the overall responsibility for the determination of the Company's risk management objectives and policies. The Company's overall risk management policies focuses on the volatility of financial markets and seeks to minimise potential adverse effects on the Company's financial performance and flexibility.

The Company's financial instruments comprise of loan to related party, trade and other receivables, cash and cash equivalents, loan from related parties, amount due to related party and, trade and other payables.

The Company held no derivative instruments during the year ended 31 March 2016.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

14. Financial instruments and associated risks (continued)

Market risk

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

Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. During the year under review, the Company has no exposure to foreign exchange risk as it does not have any assets or liabilities which are denominated in foreign currencies other than its functional currency.

Interest rate risk

The Company is not exposed to interest rate risk as the Company's financial instruments are non-interest bearing.

Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company.

The Company's credit risk arises from loan to related party, trade and other receivables and, cash and cash equivalents. The Company's policy is to maintain its cash balance with reputed banking institutions and to monitor the placement of cash balances on an ongoing basis.

The Company also limits its credit risk by carrying out transactions with its related parties.

At the reporting date, the Company's exposure to credit risk was as follows:

	Carrying amount	
	2016	2015
	USD	USD
Loan to related party	-	1,000
Trade receivables	-	7,525
Tax receivable	-	205
Cash and cash equivalents	10,706	33,043
	-----	-----
	10,706	41,773
	=====	=====

The exposure to credit risk on trade receivables is monitored on an ongoing basis by management and these are considered recoverable.

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

14. Financial instruments and associated risks (continued)

Credit risk (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Carrying amount	
	2016	2015
	USD	USD
India	-	7,525
	=====	=====

The ageing of trade receivables at the reporting date was as follows:

	Gross 2016 USD	Impairment 2016 USD	Gross 2015 USD	Impairment 2015 USD
Not past due 0-30 days	-	-	7,525	-
	-----	-----	-----	-----
	-	-	7525	-
	=====	=====	=====	=====

Liquidity risk

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

Liquidity management is overseen by the directors who ensure that necessary funds are available at all times to meet commitments

The following are the contractual maturities of financial liabilities:

31 March 2016	Repayable on demand USD	6 months or less USD	7 - 12 months USD	More than 1 year USD	Total USD
Financial liabilities					
Loan from related parties	-	-	-	1,002,227	1,002,227
Amount due to related party	-	-	-	15,327	15,327
Trade and other payables	-	-	4,005	-	4,005
	-----	-----	-----	-----	-----
Total financial liabilities			4,005	1,017,554	1,021,559
	=====	=====	=====	=====	=====

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2016

14. Financial instruments and associated risks (continued)

Liquidity risk (continued)

	Repayable on demand USD	6 months or less USD	7 - 12 months USD	More than 1 year USD	Total USD
31 March 2015					
Financial liabilities					
Loan from related parties	-	-	-	1,028,232	1,028,232
Amount due to related party	-	-	-	15,327	15,327
Trade and other payables	-	-	50,350	-	50,350
Total financial liabilities	-	-	50,350	1,043,559	1,093,909

Fair values

The table included below analyses financial instruments measured at fair value by the level in the fair value hierarchy into which the fair value measurement is categorised.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Assets and liabilities not carried at fair value but for which fair value is disclosed below:

31 March 2016	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets				
Cash and cash equivalents	10,706	-	-	10,706
Financial liabilities				
Loan from related parties	-	-	1,002,227	1,002,227
Amount due to related party	-	-	15,327	15,327
Trade and other payables	-	-	4,005	4,005
Total financial liabilities	-	-	1,021,559	1,021,559
31 March 2015				
<i>Financial assets</i>				
Loan to related party	-	-	1,000	1,000
Trade and other receivables	-	-	7,730	7,730
Cash and cash equivalents	33,043	-	-	33,043
<i>Total financial assets</i>	33,043	-	8,730	41,773

Lexon Hotel Ventures Limited

Notes to and forming part of the financial statements for the year ended 31 March 2016

14. Financial instruments and associated risks (continued)

Fair values (continued)

31 March 2015	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<i>Financial liabilities</i>				
Loan from related parties	-	-	1,028,232	1,028,232
Amount due to related party	-	-	15,327	15,327
Trade and other payables	-	-	50,350	50,350
	-----	-----	-----	-----
<i>Total financial liabilities</i>	-	-	1,093,909	1,093,909
	=====	=====	=====	=====

The assets and liabilities included in the above table are carried at cost; their carrying values are a reasonable approximation of fair values.

15. Capital risk management

The Company's primary objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

16. Consolidated financial statements

The Company holds 99.76% of the share capital of Leading Hotels Ltd and as per IFRS 10: Consolidated Financial Statements and the Mauritius Companies Act, the Company is required to prepare consolidated financial statements. The Company has not prepared consolidated financial statements as the expenses involved in carrying out the consolidation exercise is out of proportion to the benefit that the shareholders of the Company would obtain from such consolidated financial statements.

17. Holding and ultimate holding companies

The directors of the Company consider Fineline Hospitality & Consultancy Pte Ltd, a company incorporated in Mauritius as the Company's holding company and Asian Hotels (North) Limited, a company incorporated in India as the Company's ultimate holding company.

18. Events after the reporting date

There has been no significant event after the reporting date which requires disclosure or amendment to these financial statements.