

# **Fineline Hospitality & Consultancy Pte Ltd**

## **Financial Statements**

**For the year ended 31 March 2021**

**Fineline Hospitality & Consultancy Pte Ltd**  
**Financial Statements**  
**For the year ended 31 March 2021**

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## Fineline Hospitality & Consultancy Pte Ltd

For the year ended 31 March 2021

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### Corporate data

|                   |                      | <b>Appointed</b> | <b>Resigned</b> |
|-------------------|----------------------|------------------|-----------------|
| <b>Directors:</b> | Amritesh Jatia       | 05/10/2010       | -               |
|                   | Ajay Kumar Kedia     | 29/06/2015       | 14/07/2020      |
|                   | Fayaz Doobarry       | 20/02/2018       | 30/07/2019      |
|                   | Georges Valery Magon | 20/02/2018       | -               |
|                   | Navin Nagawa         | 30/07/2019       | 03/09/2020      |
|                   | Shameer Nabeebakus   | 03/09/2020       | -               |
|                   | Preeti Gandhi        | 19/02/2021       | -               |

**Company Secretary:** Rogers Capital Corporate Services Limited  
3rd Floor Rogers House  
5 President John Kennedy Street  
Port-Louis  
Mauritius

**Registered Office:** 3rd Floor Rogers House  
5 President John Kennedy Street  
Port-Louis  
Mauritius

**Auditors:** Gynch Shaw Services LLP  
Chartered Certified Accountants  
1st Floor, Cyber Tower 1  
Cybercity  
Ebène  
Mauritius

## **Fineline Hospitality & Consultancy Pte Ltd**

### **Directors' report**

**2.**

The Directors have pleasure in submitting their report to the shareholder together with the audited financial statements for the year ended 31 March 2021.

#### **Principal activity**

The main business activities of the Company are that of investment holding, international trading and provision of consultancy and sourcing services.

#### **Results**

The statement of profit or loss and other comprehensive income for the year is set out on page 9.

#### **Dividends**

The directors do not recommend the payment of dividend for the year under review (2020 : Nil).

#### **Directors**

The directors of the Company at 31 March 2021, all of whom served on the Board throughout the year and up to the date of this report, except where indicated otherwise, are contained in the corporate data page.

#### **Statement of directors' responsibilities in respect of the financial statements**

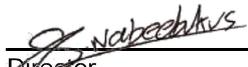
Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- 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, 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 confirm 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 Mauritius 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.

By Order of the Board

  
\_\_\_\_\_  
Director

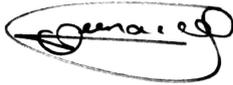
Date: 13/07/2021

**Fineline Hospitality & Consultancy Pte Ltd**  
**Secretary's certificate**  
**For the year ended 31 March 2021**

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**3.**

We certify that we have filed with the Registrar all such returns, for the year ended 31 March 2021, as are required of the Company under the Companies Act 2001.

A handwritten signature in black ink, enclosed within a hand-drawn oval. The signature is stylized and appears to be 'Gemma L'.

Rogers Capital Corporate Services Limited  
Secretary

Date: 13/07/2021

**Independent Auditors' Report  
To the Shareholders of  
Fineline Hospitality & Consultancy Pte Ltd**

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**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Fineline Hospitality & Consultancy Pte Ltd ("the Company") set out on pages 8 to 20, which comprise the statement of financial position as at 31 March 2021, 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 notes to the financial statements, including significant accounting policies.

*Consolidated financial statements*

As explained in notes 3 (a) and 4, the Company has not prepared consolidated financial statements as required by International Financial Reporting Standard 10 ("IFRS 10"), 'Consolidated Financial Statements'. Failure to prepare consolidated financial statements is a departure from the requirements of IFRS 10.

In our opinion except for the effects of the matter describe in the above paragraph, the financial statements give a true and fair view of the financial position of the Company as at 31 March 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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

The directors are responsible for the other information. The other information comprises the Report of the Directors and the Certificate from the Secretary as required by the Companies Act 2001, 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 on the other information obtained prior to the date of this auditor's report, 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.

**Independent Auditors' Report  
To the Shareholders of  
Fineline Hospitality & Consultancy Pte Ltd (Continued)**

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**Report on the Audit of the Financial Statements (Continued)**

*Responsibilities of the Directors 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 the requirements of the Companies Act 2001, 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 intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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 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 company's internal control.



**GYNCH SHAW**

CHARTERED CERTIFIED ACCOUNTANTS  
REGISTERED AUDITORS  
LONDON · MAURITIUS

**Independent Auditors' Report  
To the Shareholders of  
Fineline Hospitality & Consultancy Pte Ltd (Continued)**

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**Report on the Audit of the Financial Statements (Continued)**

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's 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.

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.

*Other matter*

This report is made solely for the Company's members, 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.



**GYNCH SHAW**

CHARTERED CERTIFIED ACCOUNTANTS  
REGISTERED AUDITORS  
LONDON · MAURITIUS

**Independent Auditors' Report  
To the Shareholders of  
Fineline Hospitality & Consultancy Pte Ltd (Continued)**

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**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 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

  
**Gynch Shaw Services LLP**  
Chartered Certified Accountants

  
**Mr Raj Annauth FCCA, MBA**  
Signing partner  
Licensed by FRC

Date; 13 July 2021

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1st Floor, Cyber Tower 1  
Cyber City  
Ebene, Mauritius

Tel : + 230 467 6565 Email : [gynchshaw@intnet.mu](mailto:gynchshaw@intnet.mu)



**Fineline Hospitality & Consultancy Pte Ltd**  
**Statement of financial position**  
**At 31 March 2021**

8.

|                                     | Notes | 2021<br>USD               | 2020<br>USD               |
|-------------------------------------|-------|---------------------------|---------------------------|
| <b>Assets</b>                       |       |                           |                           |
| <b>Non-current assets</b>           |       |                           |                           |
| Investment                          | 4     | <u>100,000,002</u>        | <u>100,000,002</u>        |
| <b>Current assets</b>               |       |                           |                           |
| Accounts receivable                 | 5     | -                         | 3,511                     |
| Cash and cash equivalents           |       | <u>-</u>                  | <u>165</u>                |
|                                     |       | <u>-</u>                  | <u>3,676</u>              |
| <b>Total assets</b>                 |       | <u><u>100,000,002</u></u> | <u><u>100,003,678</u></u> |
| <b>Financed by:</b>                 |       |                           |                           |
| <b>Equity and liabilities</b>       |       |                           |                           |
| <b>Equity</b>                       |       |                           |                           |
| Stated capital                      | 6     | 104,489,261               | 104,489,261               |
| Accumulated losses                  |       | <u>(4,496,562)</u>        | <u>(4,588,401)</u>        |
| <b>Total equity</b>                 |       | <u>99,992,699</u>         | <u>99,900,860</u>         |
| <b>Non-current liabilities</b>      |       |                           |                           |
| Borrowings                          | 7     | <u>-</u>                  | <u>80,568</u>             |
| <b>Current liabilities</b>          |       |                           |                           |
| Accounts payable                    | 8     | 6,900                     | 22,250                    |
| Current tax liability               |       | <u>403</u>                | <u>-</u>                  |
|                                     |       | <u>7,303</u>              | <u>22,250</u>             |
| <b>Total liabilities</b>            |       | <u>7,303</u>              | <u>102,818</u>            |
| <b>Total equity and liabilities</b> |       | <u><u>100,000,002</u></u> | <u><u>100,003,678</u></u> |

These financial statements have been approved by the Board of Directors on: 13/07/2021

  
 Director

  
 Director

The notes on pages 12 to 20 form part of these financial statements.  
 Independent auditors' report on pages 4 to 7.

**Fineline Hospitality & Consultancy Pte Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 March 2021**

9.

|  | Notes | <u>2021</u><br>USD          | <u>2020</u><br>USD            |
|--|-------|-----------------------------|-------------------------------|
| <b>Income</b>                                  |       |                             |                               |
| Loan written-off                               |       | 107,914                     | -                             |
| <b>Expenditure</b>                             |       |                             |                               |
| Accounting & audit fee                         |       | 6,900                       | 6,900                         |
| Professional fees                              |       | 3,230                       | 3,580                         |
| Licence fees                                   |       | 1,950                       | 1,950                         |
| Administration charges                         |       | 2,090                       | 1,550                         |
| Bank charges                                   |       | 731                         | 680                           |
| Business registration fee                      |       | 281                         | 375                           |
| Fine & Penalty                                 |       | 490                         | 975                           |
| Tax residence certificate                      |       | -                           | 200                           |
| Disbursement                                   |       | -                           | 75                            |
|  |       | <u>15,672</u>               | <u>16,285</u>                 |
| <b>Profit/(loss) for the year</b>              |       | <b>92,242</b>               | <b>(16,285)</b>               |
| Taxation                                       | 9     | (403)                       | -                             |
| <b>Profit/(loss) after taxation</b>            |       | <u><b>91,839</b></u>        | <u><b>(16,285)</b></u>        |
| <b>Other comprehensive income</b>              |       |                             |                               |
| <b>Total comprehensive income for the year</b> |       | <u><u><b>91,839</b></u></u> | <u><u><b>(16,285)</b></u></u> |

The notes on pages 12 to 20 form part of these financial statements.  
Independent auditors' report on pages 4 to 7.

**Fineline Hospitality & Consultancy Pte Ltd.**  
**Statement of changes in equity**  
**For the year ended 31 March 2021**

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|   | Ordinary<br>shares<br>USD | 5%<br>Redeemable<br>cumulative<br>preference<br>shares<br>USD | Accumulated<br>Losses<br>USD | Total<br>USD      |
|---|---------------------------|---|------------------------------|-------------------|
| Balance at 1 April 2019                 | 94,295,582                | 10,193,679  | (4,572,116)                  | 99,917,145        |
| Total comprehensive income for the year | -                         | -   | (16,285)                     | (16,285)          |
| <b>Balance at 31 March 2020</b>         | <b>94,295,582</b>         | <b>10,193,679</b>   | <b>(4,588,401)</b>           | <b>99,900,860</b> |
| Total comprehensive income for the year | -                         | -   | 91,839                       | 91,839            |
| <b>Balance at 31 March 2021</b>         | <b>94,295,582</b>         | <b>10,193,679</b>   | <b>(4,496,562)</b>           | <b>99,992,699</b> |

The notes on pages 12 to 20 form part of these financial statements.  
Independent auditors' report on pages 4 to 7.

**Fineline Hospitality & Consultancy Pte Ltd.**  
**Statement of cash flows**  
**For the year ended 31 March 2021**

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|  | 2020<br>USD      | 2020<br>USD       |
|--|------------------|-------------------|
| <b>Cash flows from operating activities</b>          |                  |                   |
| Profit /(loss) before tax                            | 92,242           | (16,285)          |
| Adjustment:  |                  |                   |
| Less: amount written off                             | <u>(107,914)</u> | <u>-</u>          |
| <b>Operating loss before working capital changes</b> | <b>(15,672)</b>  |                   |
| Decrease/(Increase) in accounts receivable           | 3,511            | (3,230)           |
| (Decrease)/Increase in accounts payable              | <u>(6,900)</u>   | <u>15,350</u>     |
| <b>Net cash from/ (used in) operating activities</b> | <b>(19,061)</b>  | <b>(4,165)</b>    |
| <b>Cash flows from financing activities</b>          |                  |                   |
| Repayment)/borrowing                                 | <u>18,896</u>    | <u>4,100</u>      |
| <b>Net cash (used in)/ from financing activities</b> | <b>18,896</b>    | <b>4,100</b>      |
| <b>Net movement in cash and cash equivalents</b>     | <b>(165)</b>     | <b>(65)</b>       |
| Cash and cash equivalents at beginning of year       | <u>165</u>       | <u>230</u>        |
| <b>Cash and cash equivalents at end of year</b>      | <b><u>-</u></b>  | <b><u>165</u></b> |
| <b>Cash and cash equivalents consist of:</b>         |                  |                   |
| Cash at bank   | <u>-</u>         | <u>165</u>        |

The notes on pages 12 to 20 form part of these financial statements.  
Independent auditors' report on pages 4 to 7.

## Fineline Hospitality & Consultancy Pte Ltd.

### Notes to the financial statements

For the year ended 31 March 2021

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#### 1. Incorporation

Fineline Hospitality & Consultancy Pte Ltd was a Category 2 Global Business Licence company incorporated on 18 October 2007 in Mauritius under the Companies Act 2001 and is governed by the Financial Services Act 2007. On the 29 January 2013, the Company has changed status from Global Business Licence Category 2 (CBG2) to Global Business Licence Category 1 (GBC1).

#### 2. Principal activity

The main business activities of the Company are that of investment holding, international trading and provision of consultancy and sourcing services.

#### 3. Significant accounting policies

##### (a) Basis of preparation

The financial statements of the Company comply with the Companies Act 2001 and in accordance with International Financial Reporting Standards ("IFRS") except of International Financial Reporting Standard 10 ("IFRS 10") - Consolidated Financial Statements. The financial statements have been prepared under the historical cost convention.

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.

There were no major estimates and assumptions made during the period 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) New and amended IFRS Standards that are effective for the current year

###### **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 periods.

###### *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 IASB 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 Standards have not been updated with the new definitions developed in the revised Conceptual Framework.

## Fineline Hospitality & Consultancy Pte Ltd.

### Notes to the financial statements

For the year ended 31 March 2021

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### 3. Significant accounting policies

#### (b) New and amended IFRS Standards that are effective for the current year (cont'd)

The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 28, 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 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 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.

The threshold for materiality influencing users has been changed from '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' 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 not yet effective:

|   |   |
|---|---|
| IFRS 17   | Insurance Contracts   |
| IFRS 10 and IAS 28 (amendments)                       | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture   |
| Amendments to IAS 1                                   | Classification of Liabilities as Current or Non-Current   |
| Amendments to IFRS 3                                  | Reference to the Conceptual Framework   |
| Amendments to IAS 16                                  | Property, Plant and Equipment - Proceeds before Intended Use  |
| Amendments to IAS 37                                  | Onerous Contracts - Cost of fulfilling a Contract   |
| Annual Improvements to IFRS Standards 2018-2020 Cycle | Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture |

**Fineline Hospitality & Consultancy Pte Ltd.****Notes to the financial statements****For the year ended 31 March 2021**

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**3. Significant accounting policies (cont'd)****(c) Income and expenditure**

Income and expenditure are accounted for on an accrual basis.

**(d) Foreign currency translation***(i) 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 company operates. The financial statements are presented in United States Dollars (USD), which is the company's functional and presentation currency.

*(ii) Transactions and balances*

Transactions in foreign currencies are translated at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into USD at the foreign exchange rates ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of transaction. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

**(e) Investment in subsidiary**

A subsidiary is an entity in which the Company has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Company controls another entity. Investment in subsidiary is shown at cost. 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 charged to the statement of comprehensive income. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

**(f) Accounts receivable**

Other receivables are stated at cost less impairment losses.

Loan to related party is stated at amount advanced net of repayments and transaction costs.

**(g) Cash and cash equivalents**

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

**(h) Stated capital**

Ordinary shares are classified as equity.

**Fineline Hospitality & Consultancy Pte Ltd.****Notes to the financial statements****For the year ended 31 March 2021**

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**3. Significant accounting policies (cont'd)****(i) Accounts payable**

Other payables are stated at cost.

**(j) Borrowings**

Borrowings are recognised at cost since they do not have any fixed terms of repayment.

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

**(k) Financial instruments**

Financial instruments carried on the balance sheet include other receivables, cash and cash equivalents, borrowings and other payables. The particular recognition methods are disclosed in the individual policy statements associated with each item.

**(l) Taxation****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 as adjustment to tax payable in respect of prior 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.

**(m) 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 asset's carrying amount 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).

**Fineline Hospitality & Consultancy Pte Ltd.**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**3. Significant accounting policies (cont'd)**

**(n) 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.

**4. Investment**

|                      | <b>2021</b>        | <b>2020</b>        |
|----------------------|--------------------|--------------------|
|                      | <b>USD</b>         | <b>USD</b>         |
| Unquoted and at cost | <u>100,000,002</u> | <u>100,000,002</u> |

Details of investment are as follows:

|                              | Number of<br>shares | Type of<br>shares | Percentage<br>holding | Country of<br>incorporation |
|------------------------------|---------------------|-------------------|-----------------------|-----------------------------|
| Lexon Hotel Ventures Limited | 1,320               | Ordinary          | 80%                   | Mauritius                   |

The Company holds 80 % of the issued share capital of Lexon Hotel Ventures Limited . The company incorporated in Mauritius, is considered to be a subsidiary undertaking. The Company has not prepared consolidated financial statements as required by International Financial Reporting Standard ("IFRS 10") 'Consolidated Financial Statements'. Failure to prepare consolidated financial statements is a departure from the requirements of IFRS 10.

**5. Accounts receivable**

|             | <b>2021</b> | <b>2020</b>  |
|-------------|-------------|--------------|
|             | <b>USD</b>  | <b>USD</b>   |
| Prepayments | <u>-</u>    | <u>3,511</u> |

**6. Stated capital**

|  | <b>2021</b>                |                              | <b>2020</b>                |                              |
|--|----------------------------|------------------------------|----------------------------|------------------------------|
|  | <b>Ordinary<br/>shares</b> | <b>Preference<br/>shares</b> | <b>Ordinary<br/>shares</b> | <b>Preference<br/>shares</b> |
| Issued and fully paid                      |                            |                              |                            |                              |
| 94,295,582 ordinary shares of<br>USD1 each | <u>94,295,582</u>          | <u>10,193,679</u>            | <u>94,295,582</u>          | <u>10,193,679</u>            |

**7. Borrowings**

|                                  | <b>2021</b> | <b>2020</b>   |
|----------------------------------|-------------|---------------|
|                                  | <b>USD</b>  | <b>USD</b>    |
| <i>Loan from related parties</i> |             |               |
| Loan from Heyking Ltd            | -           | 52,968        |
| Loan from Fineline Holdings Ltd  | -           | 27,100        |
| Loan from Deuchny Properties Ltd | -           | <b>500</b>    |
|                                  | <u>-</u>    | <u>80,568</u> |

The loans are unsecured, interest free and with no term of repayment.

**8. Accounts payable**

|          | <b>2021</b>  | <b>2020</b>   |
|----------|--------------|---------------|
|          | <b>USD</b>   | <b>USD</b>    |
| Accruals | <u>6,900</u> | <u>22,250</u> |
|          | <u>6,900</u> | <u>22,250</u> |

## Fineline Hospitality & Consultancy Pte Ltd.

### Notes to the financial statements For the year ended 31 March 2021

#### 9. Taxation

The Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritian tax on its foreign source income, thus reducing its effective tax rate to 3%. The Company has made profit of USD 92,242 and tax amounting to USD 403 has been made in the financial statements for the year under review.

Following the Finance (Miscellaneous Provisions) Act 2018, the deemed foreign tax credit of 80% ("DTC") available to Category 1 Global Business Licence companies has been abolished as from 1 January 2019. The DTC will be replaced by a partial exemption regime whereby 80% of specific incomes, meeting predetermined criteria, will be exempted from income tax. The income exemption will be granted to all companies subject to complying to certain conditions relating to the substance of their activities. The foreign tax credit will not be allowed where a company has claimed the 80% partial exemption of its foreign source income.

#### 10. Related party transactions

During the year under review, the Company entered into the following related party transactions. All transactions were on an arm's length basis.

| Transaction during the year | Company                    | Nature of Relationship | 2021<br>USD  | 2020<br>USD |
|-----------------------------|----------------------------|------------------------|--------------|-------------|
| (Written off)/Loan          | Fineline Holdings Ltd      | Related Company        | (27,100)     | 3,600       |
| (Repayment)/Loan            | Deuchny Properties Limited | Related Company        | <u>(500)</u> | <u>500</u>  |
| <b>Year end balances</b>    |                            |                        |              |             |
| Loan (Note 7))              | Heyking Ltd                | Related Company        | -            | 52,968      |
| Loan (Note 7))              | Fineline Holdings Ltd      | Related Company        | -            | 27,100      |
| Loan (Note 7))              | Deuchny Properties Limited | Related Company        | <u>-</u>     | <u>500</u>  |

The loans are unsecured, interest free and with no term of repayment.

As per agreement dated 5 May 2020, the Company is the guarantor of its subsidiary "Lexon Hotel Ventures Limited" for the loan principal amount of USD 870,000, together with all interest, delayed payment charges, costs, charges expenses due to Bakerfin Limited. due to Bakerfin Limited.

#### 11. Financial instruments and associated risks.

The Group 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 policy 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 other receivables, cash and cash equivalents, loan from related party and payables.

## Fineline Hospitality & Consultancy Pte Ltd.

### Notes to the financial statements

For the year ended 31 March 2021

#### 11. Financial instruments and associated risks (cont'd)

##### *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.

##### *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 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.

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

|                           | Carrying amount |             |
|---------------------------|-----------------|-------------|
|                           | 2021<br>USD     | 2020<br>USD |
| Cash and cash equivalents | -               | 165         |

##### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

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

The following are the contractual maturities of financial liabilities:

#### 31 March 2021

| Financial liabilities              | Repayable        |                        |                              | Total<br>USD |
|------------------------------------|------------------|------------------------|------------------------------|--------------|
|                                    | On demand<br>USD | Within one year<br>USD | More than<br>one year<br>USD |              |
| Payables                           | -                | 6,900                  | -                            | 6,900        |
| Current tax liability              | -                | 403                    | -                            | 403          |
| <b>Total financial liabilities</b> | <b>-</b>         | <b>7,303</b>           | <b>-</b>                     | <b>7,303</b> |

#### 31 March 2020

| Financial liabilities              | Repayable        |                        |                              | Total<br>USD   |
|------------------------------------|------------------|------------------------|------------------------------|----------------|
|                                    | On demand<br>USD | Within one year<br>USD | More than one<br>year<br>USD |                |
| Loan from related party            | -                | -                      | 80,568                       | 80,568         |
| Payables                           | -                | 22,250                 | -                            | 22,250         |
| <b>Total financial liabilities</b> | <b>-</b>         | <b>22,250</b>          | <b>80,568</b>                | <b>102,818</b> |

## Fineline Hospitality & Consultancy Pte Ltd.

### Notes to the financial statements

For the year ended 31 March 2021

#### 11. Financial instruments and associated risks (cont'd)

##### 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 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 which fair value is disclosed below:

|                                    | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD | Total<br>USD   |
|------------------------------------|----------------|----------------|----------------|----------------|
| <b>31 March 2021</b>               |                |                |                |                |
| <b>Financial assets</b>            |                |                |                |                |
| Cash and cash equivalents          | -              | -              | -              | -              |
| <b>Total financial assets</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |
| <b>Financial liabilities</b>       |                |                |                |                |
| Payables                           | -              | -              | 6,900          | 6,900          |
| Current tax liability              | -              | -              | 403            | 403            |
| <b>Total financial liabilities</b> | <b>-</b>       | <b>-</b>       | <b>7,303</b>   | <b>7,303</b>   |
| <br>                               |                |                |                |                |
| <b>31 March 2020</b>               |                |                |                |                |
| <b>Financial assets</b>            |                |                |                |                |
| Cash and cash equivalents          | 165            | -              | -              | 165            |
| <b>Total financial assets</b>      | <b>165</b>     | <b>-</b>       | <b>-</b>       | <b>165</b>     |
| <b>Financial liabilities</b>       |                |                |                |                |
| Loan from related parties          | -              | -              | 80,568         | 80,568         |
| Accruals                           | -              | -              | 22,250         | 22,250         |
| <b>Total financial liabilities</b> | <b>-</b>       | <b>-</b>       | <b>102,818</b> | <b>102,818</b> |

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

#### 12. 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.

**Fineline Hospitality & Consultancy Pte Ltd.****Notes to the financial statements****For the year ended 31 March 2021**

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**13. Holding and ultimate holding companies**

The directors of the Company consider Asian Hotels (North) Limited, a company incorporated in India as the Company's holding company.

**14. Events after reporting date**

No material events occurred after the year ended 31 March 2021 within the Company, which need to be disclosed in these financial statements.