Belle Terre Realty Limited
AND ITS SUBSIDIARY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2019

Belle Terre Realty Limited AND ITS SUBSIDIARY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CONTENTS	PAGES

Belle Terre Realty Limited

CORPORATE DATA

			Date of appointment
DIRECTORS	:	Gaurav Goel	25 July 2008
		Satyapal Jain	25 July 2008
		Shah Ahmud Khalil Peerbocus	4 May 2017
		Bhoomisha Tina Sohoraye Moholee	24 July 2017
REGISTERED OFFICE	:	IFS Court, Bank Street TwentyEight Cybercity Ebene 72201 Mauritius	
ADMINISTRATOR SECRETARY AND MAURITIAN TAX AGENT	:	SANNE Mauritius IFS Court, Bank Street TwentyEight Cybercity Ebene 72201 Mauritius	
AUDITORS	:	Nexia Baker & Arenson Chartered Accountants 5th Floor, C&R Court 49, Labourdonnais Street Port Louis Mauritius	
BANKER	:	SBI International (Mauritius) Limited 7th Floor, Wing 2 SBI Tower Mindspace Building Ebene Mauritius	

Belle Terre Realty Limited AND ITS SUBSIDIARY

COMMENTARY OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019

The directors present the audited financial statements of **Belle Terre Realty Limited** (the "Company") and that of its subsidiary for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holding and that of its subsidiary, Oasis Holding (FZC), incorporated in United Arab Emirates ("UAE"), is to engage in investment of its own financial resources. The Company together with its subsidiary, (the "Subsidiary"), are referred to as the "Group".

RESULTS AND DIVIDEND

The results of the Group for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

No dividend has been paid or declared for the year under review (2018: USD Nil).

DIRECTORS

The present membership of the Board is set out on page 2.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

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

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, **Nexia Baker & Arenson**, have indicated their willingness to continue in office until the next Annual Meeting.

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

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **Belle Terre Realty Limited** under the Mauritius Companies Act 2001 during the financial year ended 31 March 2019.

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For SANNE Mauritius
Secretary

Registered office:

IFS Court, Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

Date: 6 May 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY

Report on the Financial Statements

Opinion

We have audited the financial statements of **Belle Terre Realty Limited (the "Company") and its subsidiary** (**together referred to as the "Group")**, set out on pages 8 to 42 which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 March 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Mauritius 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code), Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with 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 Commentary of the Directors and the Certificate from the Secretary. The other information does not include the financial statements and our auditors' report thereon.

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

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

Directors' Responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY

Report on the Financial Statements (continued)

Directors' Responsibilities for the financial statements (continued)

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY

Report on the Financial Statements (continued)

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

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

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

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

We have obtained all information and explanations we have required.

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

Nexia Baker & Arenson
Chartered Accountants

Nitin Kumar Sobnack FCCA
Licensed by FRC

Date:………………….

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

		The Group		The Company	
	Notes	**2019**	2018	**2019**	2018
		USD	USD	**USD**	USD
ASSETS					
Non-current assets					
Investment property	6	**12,502,211**	12,953,027	-	-
Investment in subsidiary company	8	**-**	-	**6,907,929**	6,927,929
Investment in associated company	9	**15,649,605**	15,655,739	**15,649,605**	15,655,739
		28,151,816	28,608,766	**22,557,534**	22,583,668
Current assets					
Receivables and prepayments	10	**68,920**	38,939	**1,938**	1,938
Cash and cash equivalents		**69,635**	33,029	**11,109**	13,040
		138,555	71,968	**13,047**	14,978
Total assets		**28,290,371**	28,680,734	**22,570,581**	22,598,646
EQUITY AND LIABILITY					
Capital and reserves					
Stated capital	11	**22,784,233**	22,784,233	**22,784,233**	22,784,233
Currency translation reserve		**(31)**	(3,463)	**-**	-
(Revenue deficit)/retained earnings		**(102,623)**	92,879	**(218,022)**	(191,263)
		22,681,579	22,873,649	**22,566,211**	22,592,970
Non-controlling interest		**5,512,782**	5,731,034	**-**	-
		28,194,361	28,604,683	**22,566,211**	22,592,970
Current liability					
Trade and other payables	12	**96,010**	76,051	**4,370**	5,676
Total equity and liability		**28,290,371**	28,680,734	**22,570,581**	22,598,646

Approved by the Board for issue on **6 May 2019** and signed on its behalf by:

……………………………………… ……………………………………

Director **Director**

The notes on pages 13 to 42 form an integral part of these financial statements.

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

		The Group		The Company	
	Notes	**2019**	2018	**2019**	2018
		USD	USD	**USD**	USD
Income					
Revenue from contracts with customers	3(b)	**295,682**	982,318	-	-
Cost of revenue	13	**(512,702)**	(431,356)	-	-
Gross (loss)/profit		**(217,020)**	550,962	-	-
Other income		**5,701**	1,998	**9**	12
		(211,319)	552,960	**9**	12
Expenses					
Licence fees		**12,047**	11,089	**2,100**	2,100
Commission expense		-	57,184	-	-
Professional fees		**13,679**	14,025	**13,679**	14,025
Audit fee		**3,990**	6,900	**3,990**	6,900
Bank charges		**865**	950	**865**	950
Other expenses		**3,715**	4,877	-	-
		34,296	95,025	**20,634**	23,975
Operating (loss)/profit for the year		**(245,615)**	457,935	**(20,625)**	(23,963)
Share of loss of associated company	9	**(6,134)**	(6,058)	**(6,134)**	(6,058)
(Loss)/profit before taxation		**(251,749)**	451,877	**(26,759)**	(30,021)
Taxation	5	-	-	-	-
(Loss)/profit for the year		**(251,749)**	451,877	**(26,759)**	(30,021)
Other comprehensive income					
Exchange difference on translating foreign operation		**(4)**	(4,590)	-	-
Total comprehensive (loss)/income for the year		**(251,753)**	447,287	**(26,759)**	(30,021)
(Loss)/profit attributable to:					
Owners of the Company		**(195,502)**	331,402	**(26,759)**	(30,021)
Non-Controlling interests		**(56,247)**	120,475	-	-
		(251,749)	451,877	**(26,759)**	(30,021)
Total comprehensive (loss)/income attributable to:					
Owners of the Company		**(195,505)**	327,960	**(26,759)**	(30,021)
Non-Controlling interests		**(56,248)**	119,327	-	-
		(251,753)	447,287	**(26,759)**	(30,021)

The notes on pages 13 to 42 form an integral part of these financial statements.

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

The Group

	Stated capital	Foreign currency translation reserve	Retained earnings/ (revenue deficit)	Attributable to owners of the Company	Non-controlling interests	Total
	USD	USD	USD	USD	USD	USD
At 1 April 2017	22,784,233	(21)	(238,523)	22,545,689	5,936,745	28,482,434
Profit for the year	-	-	331,402	331,402	120,475	451,877
Other comprehensive loss for the year	-	(3,442)	-	(3,442)	(1,148)	(4,590)
Refund of capital contribution during the year	-	-	-	-	(325,038)	(325,038)
At 31 March 2018	22,784,233	(3,463)	92,879	22,873,649	5,731,034	28,604,683
Loss for the year	-	-	(195,502)	(195,502)	(56,247)	(251,749)
Other comprehensive loss for the year	-	(3)	-	(3)	(1)	(4)
Adjustment		3,435		3,435	1,142	4,577
Refund of capital contribution during the year	-	-	-	-	(163,146)	(163,146)
At 31 March 2019	**22,784,233**	**(31)**	**(102,623)**	**22,681,579**	**5,512,782**	**28,194,361**

The notes on pages 13 to 42 form an integral part of these financial statements.

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

The Company

	Stated capital	Revenue deficit	Total
	USD	USD	USD
At 1 April 2017	22,784,233	(161,242)	22,622,991
Total comprehensive loss for the year	-	(30,021)	(30,021)
At 31 March 2018	22,784,233	(191,263)	22,592,970
Total comprehensive loss for the year	-	(26,759)	(26,759)
At 31 March 2019	**22,784,233**	**(218,022)**	**22,566,211**

The notes on pages 13 to 42 form an integral part of these financial statements.

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

		The Group		The Company	
	Notes	**2019**	2018	**2019**	2018
		USD	USD	**USD**	USD
Cash flows from operating activities					
(Loss)/profit before taxation		**(251,749)**	451,877	**(26,759)**	(30,021)
Adjustments for:					
Interest income		**(9)**	(12)	**(9)**	(12)
Share of loss of associated company	9	**6,134**	6,058	**6,134**	6,058
Amortisation and depreciation	13	**447,618**	428,308	**-**	-
Consolidation adjustment		**4,577**	-	**-**	-
Exchange difference		**3,194**	(3,586)	**-**	-
Operating profit/(loss) before working capital changes		**209,765**	882,645	**(20,634)**	(23,975)
Increase in receivables and prepayments		**(29,981)**	(34,285)	**-**	(313)
Increase/(decrease) in trade and other payables		**19,959**	(224,586)	**(1,306)**	1,876
Decrease in other payable		**-**	(224,664)	**-**	-
Net cash from/(used in) operating activities		**199,743**	399,110	**(21,940)**	(22,412)
Cash flows from investing activities					
Interest received		**9**	12	**9**	12
Construction cost	7	**-**	(61,581)	**-**	-
Refund by investee company	15	**-**	-	**20,000**	30,000
Net cash from/(used in) investing activities		**9**	(61,569)	**20,009**	30,012
Cash flows from financing activity					
Amount refunded to shareholder	15	**(163,146)**	(325,038)	**-**	-
Net cash used in financing activity		**(163,146)**	(325,038)	**-**	-
Net increase/(decrease) in cash and cash equivalents		**36,606**	12,503	**(1,931)**	7,600
Cash and cash equivalents at beginning of the year		**33,029**	20,526	**13,040**	5,440
Cash and cash equivalents at end of the year		**69,635**	33,029	**11,109**	13,040

The notes on pages 13 to 42 form an integral part of these financial statements.

1. General information

The Company was incorporated in Mauritius on 4 June 2008 as a private company limited by shares. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission and has its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius.

The financial statements comprise of the financial statements of the Company and its subsidiary. The financial statements of the Group are presented in United States Dollar ("USD"), which is the Group functional and presentation currency.

The principal activity of the Company is to act as an investment holding company. The principal activity of the subsidiary company are described on page 3.

2. Basis of preparation

(a) *Statement of compliance*

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards ("IFRS").

(b) *Basis of measurement*

The financial statements have been prepared on a historical cost basis except for financial assets and liabilities which are measured at fair value.

(i) *Functional and presentation currency*

The Group's and the Company's functional and presentation currency is USD and all values are rounded to the nearest Dollar. USD is the currency of the primary economic environment in which the Group and the Company operates and its performance is evaluated and its liquidity is managed in USD.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates and differences in exchange are accounted for in the statement of profit or loss and other comprehensive income.

2. Basis of preparation (continued)

(c) *Use of estimates and judgment*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) *Basis of consolidation*

The financial statements incorporate the result of Belle Terre Realty Limited (the parent company) and that of its subsidiary, Oasis Holding (FZC) together referred to as the "Group". The reporting period of the parent company and the Subsidiary is 31 March 2019. Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

3. Accounting policies

(a) Adoption of new and revised International Financial Reporting Standards

Standards and interpretations effective for the current period

The International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the current reporting period and which are applicable to the Group and Company are as follows:

IFRS 9: Financial instruments
IFRS 15: Revenue from Contracts with Customers

The impact of adoption of these standards and the new accounting policies are explained below in more detail:

IFRS 9: Financial instruments

Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards (continued)

IFRS 9: Financial instruments (continued)

Impact of adoption (continued)

Changes in accounting policies resulting from the adoption of IFRS 9 have not resulted in any material impact on opening balances of retained earnings or equity as of 1 April 2018.

(i) Classification and measurement

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 April 2018. However, the Group and Company have chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Group's and the Company's financial assets and financial liabilities as at 01 April 2018:

The Group

Financial assets

	IAS 39 classification	**IAS 39 measurement**	**IFRS 9 classification**	**IFRS 9 measurement**
		USD		**USD**
Receivables	Loans and receivables	34,926	Amortised cost	34,926
Cash and cash equivalents	Loans and receivables	33,029	Amortised cost	33,029

Financial liability

	IAS 39 classification	**IAS 39 measurement**	**IFRS 9 classification**	**IFRS 9 measurement**
		USD		**USD**
Trade and other payables	Amortised cost	68,506	Amortised cost	68,506

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards (continued)

IFRS 9: Financial instruments (continued)

Impact of adoption (continued)

(i) Classification and measurement (continued)

The Company

Financial asset

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Cash and cash equivalents	Loans and receivables	13,040	Amortised cost	13,040

Financial liabilities

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Accruals	Amortised cost	5,676	Amortised cost	5,676

In addition, the application of the ECL mode under IFRS 9 has not significantly changed the carrying amounts of the Group's and Company's financial assets.

In line with the characteristics of the Group's and Company's financial instruments as well as its approach to their management, the Group and Company neither revoked nor made any new designations on the date of initial application. IFRS 9 has not resulted in changes in the carrying amount of the Group's and Company's financial instruments due to changes in measurement categories.

The adoption of IFRS 9 has not resulted in any change in classification or measurement of financial liabilities.

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards (continued)

IFRS 9: Financial instruments (continued)

Impact of adoption (continued)

(ii) Impairment of financial assets

The Group and the Company has the following types of financial assets that are subject to IFRS 9's new Expected Credit Loss (ECL) model:

- Other receivables
- Cash and cash equivalents

For cash and cash equivalents and other receivables, the Group and the Company has applied 12-month ECL model and the identified impairment loss was immaterial.

IFRS 9 accounting policies

The application of the new standard required the management to apply the new accounting policies, which are summarised in note 3(f) to the financial statements under significant accounting policies.

IFRS 15: Revenue from contracts with customers

Impact of adoption

IFRS 15 supersedes IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in scope of other standards. The new standard established a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange of transferring goods or services to customers.

The standard requires the Group and the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining contract and the costs directly related to fulfilling a contract.

The Group and the Company have adopted IFRS 15 using the cumulative effect method (without practical expedients), in which the effect of initially applying this standard are recognised at the date of initial application (i.e. 1 April 2018). Accordingly, the information presented for 2018 has not been restated - i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Changes in accounting policies resulting from the adoption of IFRS 15 have not resulted in any material impact on the opening balance of retained earnings/equity as of 1 April 2018.

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards

IFRS 15 accounting policies

The application of the new standard required the management to apply the new accounting policies, which are summarised in note 3(b) to the financial statements under significant accounting policies.

New and revised IFRSs in issue but not yet effective

The following International Financial Reporting Standards, amendments thereto and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorised for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

New and revised IFRSs in issue but not yet effective

- IFRS 16: Leases (1 January 2019)

IFRS 16, published in January 2016 replaces the previous guidance in IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Under this revised guidance, leases will be brought onto the lessee’s statement of financial position, increasing the visibility of their assets and liabilities. It further removes the classification of leases as either operating leases or finance leases treating all leases as finance leases from the perspective of the lessee, thereby eliminating the requirement for lease classification test.

The revised guidance has an increased focus on who controls the asset and may change which contracts are leases.

The above standard is currently being assessed by the management to determine any material impact on the financial statements.

(b) Revenue from contracts with customers

The Group is engaged in the activity of investment of own financial resources.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

3. Accounting policies (continued)

(b) Revenue from contracts with customers (continued)

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

5. Recognise revenue when (or as) the Group satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or

- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

3. Accounting policies (continued)

(b) Revenue from contracts with customers (continued)

Interest income

Interest income is recognised on the accrual basis
Dividend income

Dividend income is recognised when the shareholders' rights to receive payment have been established.

Investment income

This represents rental income earned on leasing of the labour accommodation situated in Dubai, UAE.

Revenue from contracts with customers for the Group amounted to USD 295,682 during the year ended 31 March 2019 (2018: USD982,318).

(c) Rental income

The Group provides rental services to a customer. Contracts for rental services are comprised of single performance obligation because the promise to provide services cannot be distinct and separately identifiable. The Group recognises revenue from rental services over time to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

(d) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(e) Value added tax

As per the Federal Decree-Law No. (08) of 2017, effective from January 1, 2018, Value Added Tax (VAT), will be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment. The residential accommodation of more than 182 Days (including labour Camp for industrial employees) are considered Exempt and non-taxable.

3. Accounting policies (continued)

(f) Financial instruments

IFRS 9 contains three principal classification categories for financial assets - i.e. measured at: amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). The existing IAS 39 categories of held-to-maturity, loans and receivables, and available-for-sale are removed.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

Classification

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI") – debt investment; FVTOCI

– equity investment; or fair value through profit or loss ("FVTPL").

Classification (continued)

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Management determines the classification of its investment at initial recognition.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

3. Accounting policies (continued)

(f) Financial instruments (continued)

Derecognition

Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are de-recognised when, and only when, they are extinguished i.e. when obligation specified in the contract is discharged, cancelled or expired.

Measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

The following accounting policies apply to the subsequent measurement of financial assets and liabilities.
Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method. All other financial assets are subsequently measured at fair value.

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

3. Accounting policies (continued)

(f) Financial instruments (continued)

Measurement (continued)

2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost comprise of accruals and other payables and advances from shareholders for projects.

Impairment of financial assets

IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with a forward looking ‘expected credit loss’ (ECL) model. This requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model will apply to financial assets measured at amortised cost or FVTOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than IAS 39.

The financial assets at amortised cost comprise of other receivables and cash and cash equivalents.

Under IFRS 9, loss allowances are measured on either of the following basis:

- 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

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

- Bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

3. Accounting policies (continued)

(f) Financial instruments (continued)

Impairment of financial assets (continued)

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

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

The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- The financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Offsetting

Financial assets and liabilities are offset and the net amount 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 asset and settle the liability simultaneously.

Equity

Share capital is recorded at the value of proceeds received towards interest in share capital of the Company.

3. Accounting policies (continued)

(g) Fair value measurement

The Company discloses the fair value of financial instruments measured at amortised cost.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

(h) Impairment of non-financial assets

At end of each reporting period, the Group and the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less that its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

3. Accounting policies (continued)

(i) Leases

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

(j) Investments in subsidiary companies

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the majority of votes at meetings of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. In the Company's own separate financial statements, the investments in subsidiaries are stated at cost less any provision in impairment in value. Impairment loss recognised in profit and loss for a subsidiary is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book values of the subsidiaries are not necessarily indicative of the amounts that would be realised in a current market exchange.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

(l) Related parties

Parties are considered to be related if one party has the ability to control (directly or indirectly) the other party or exercise significant influence over the other party in making financial and operating decisions.

(m) Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3. Accounting policies (continued)

(n) Investment in associated company

Associates are undertakings over which the Company generally has between 20% and 50% of the voting rights or over which the Company has significant influence but which it does not control. The Company holds investment in an associate, which is initially recognised at cost and subsequently accounted for by using the equity method of accounting.

The Company's share of its associate's profits or losses is recognised in the statement of profit or loss and other comprehensive income and its share of movements in reserves is recognised in equity. The cumulative movements are adjusted against the carrying amount of the investment. The accounting policies of the associate have been changed where necessary to ensure consistency with the policies adopted by the Company. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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 profit or loss and other comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited in the statement of profit or loss and other comprehensive income.

(o) Expense recognition

Expenses are accounted for in the statement of profit or loss and other comprehensive income on an accrual basis.

(p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or scale. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

3. Accounting policies (continued)

(q) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The currently payable is based on taxable profit for the year. Taxable profit differs from the profit reported in the statement of profit or loss and other comprehensive income because it excludes income or expense items that are taxable or deductible in other years and items that are not taxable or tax deductible. The Group's and the Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computing taxable profit, and are accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deduction temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit.

(r) Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by end of each reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense statement of profit or loss and other comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

3. Accounting policies (continued)

(s) Functional and foreign currency

Functional currency

Items included in the financial statements of the Group and the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to entity. The financial statements of the Group and the Company are presented in United States Dollars, which is the functional currency of the Group and the Company.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies of the respective entities in the Group and the Company at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at end of the reporting period are retranslated to the functional currency at the exchange rates on that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rates on the dates that the fair value was determined.

The monetary assets and liabilities of foreign operations are translated to United States Dollars at the exchange rates at end of the reporting period. Non-monetary assets are translated to United States Dollars at historical rate. The income and expenses of foreign operations are translated to United States Dollars at average exchange rates for the year.

Foreign exchange differences are recognised in the currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the currency translation reserve is transferred to the statement of profit or loss and other comprehensive income.

(t) Stated capital

Ordinary shares are classified as equity.

(u) Payable and accruals

Payables and accruals are stated at cost, as the interest that would be recognised from discounting future cash payments over the short credit period is not considered to be material.

3. Accounting policies (continued)

(v) Loan receivable

Deposits and other receivables

Deposits and other receivables are classified as loans and receivables and stated at cost, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material.

(w) Investment property and capital work-in-progress

Cost model

Leasehold rights and building acquired for the purposes of earning rental income and for capital appreciation are classified as investment properties and stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method over the expected useful lives of the properties as follows:

Leasehold rights	41 years
Building	20 years

An assessment of depreciation method, useful lives and residual values is undertaken at end of each reporting period and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company makes estimates and assumptions concerning the future. The future accounting estimates will by definition, seldom equal to the actual results.

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

4. Critical accounting estimates and judgements (continued)

The Company applies expected credit loss (ECL) model to measure loss allowance in case of financial assets on the basis of 12-month ECLs or Lifetime ECLs depending on credit risk characteristics and how changes in economic factors affect ECLs, which are determined on a probability-weighted basis.

Determination of functional currency

The determination of the functional currency of the Group and the Company is critical since recording transaction and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered these factors and have determined that the functional currency of the Group and the Company is USD.

Going concern

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

Critical accounting estimates and judgements

Recognition of revenue and allocation of transaction price Identification of performance obligations

The Company determined that the sale of services is provided as a single component to customers and accordingly it becomes single performance obligation in respect of the services being sold.

Recognition of revenue and allocation of transaction price

<u>Identification of performance obligations</u>

The Company determined that the sale of services is provided as a single component to customers and accordingly it becomes single performance obligation in respect of the services being sold.

Determine timing of satisfaction of performance obligation

The Company concluded that revenue from services is to be recognised over time as the customer simultaneously receives the benefit as the company performs. The fact that another entity would not need to re-perform the services that the Company has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Company's performance as it performs.

5. Taxation

The Company

(a) Income tax rate

The Company is under current laws and regulations, liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%.

The Company has received a Tax Residence Certificate to avail of the benefits of double tax treaty between Mauritius and India.

No Mauritian capital gain tax is payable on profits arising from sale of securities, and any dividends and redemption proceeds paid by the Company to its shareholders will be exempt in Mauritius from any withholding tax.

At 31 March 2019, the Company had accumulated tax losses of **USD92,267** (2018: USD86,659) which will be carried forward and available for set off against future taxable profits up to the year ending 31 March 2019.

A deferred tax asset of **USD2,768** (2018: USD2,600) has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised.

(b) Tax reconciliation

The reconciliation between the actual tax expense and the tax calculated at the applicable rate of 15% for the year under review is as follows:

	2019	2018
	USD	USD
Loss before taxation	**(20,625)**	(23,963)
Tax at the rate of 15%	**(3,094)**	(3,594)
Tax effect of:		
Non allowable expense	**(10,746)**	(9,404)
	(13,840)	(12,998)
Tax credit of 80%	**11,072**	10,398
Deferred tax not recognised	**2,768**	2,600
Tax charge	**-**	-

5. Taxation (continued)

The Subsidiary

The subsidiary company, Oasis Holding (FZC), is exempt from taxation in United Arab Emirates.

6. Investment property

	The Group		
	Leasehold rights (a)	Building (b),(c)	Total
	USD	USD	USD
Cost			
At beginning of the year	8,595,089	4,786,233	**13,381,322**
Transfer to deposits during the year	-	(3,156)	**(3,156)**
Exchange difference	(23)	(14)	**(37)**
At end of the year	8,595,066	4,783,063	**13,378,129**
Amortisation/Depreciation			
At beginning of the year	199,473	228,821	**428,294**
Charged during the year (see note 13)	208,617	239,001	**447,618**
Exchange difference	3	3	**6**
At end of the year	408,093	467,825	**875,918**
Net Book Values			
As at 31 March 2019	**8,186,973**	**4,315,238**	**12,502,211**
As at 31 March 2018	8,395,615	4,557,412	12,953,027

(a) This represents amount paid for rights to leasehold land in the year 2008. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and valid up to 18 June 2058.

(b) This represents building used for labour accommodation situated in Dubai, UAE which is constructed on the leasehold land.

(c) The management is of the opinion that, in the absence of comparable market prices, the fair value of building cannot be reasonably reliably determined but is considered to be at least equal to its carrying amount.

7. Capital work in progress

	The Group	
	2019	2018
	USD	USD
At beginning of the year	**-**	13,320,758
Addition during the year	**-**	61,581
Exchange difference	**-**	(1,017)
Transferred to investment property	**-**	(13,381,322)
At end of the year	**-**	-

8. Investment in subsidiary company

	The Company	
	2019	2018
	USD	USD
At beginning of the year	**6,927,929**	6,957,929
Movement during the year	**(20,000)**	(30,000)
At end of the year	**6,907,929**	6,927,929

Name of subsidiary company	Country of incorporation	Number and type of shares	% holding	At cost 2019 USD	At cost 2018 USD
Oasis Holding (FZC)	United Arab Emirates	75 equity shares of AED 1,500 each	75%	**30,654**	30,654
		Amount advanced		**6,877,275**	6,897,275
				6,907,929	6,927,929

Oasis Holding (FZC) is engaged in investment of own financial resources and has incurred expenses for plot of land and development thereof for construction of labour accommodation.

The directors are of the opinion that there is no impairment on the value of the investment as at 31 March 2019 and that the fair value approximates at least its cost.

The amount advanced to the subsidiary company of USD6,877,275 is unsecured, interest free and is expected to be settled in cash after more than one year.

9. Investment in associated company

	The Group and The Company	
	2019	2018
	USD	USD
At beginning of the year	**15,655,739**	15,661,797
Share of losses during the year	**(6,134)**	(6,058)
At end of the year	**15,649,605**	15,655,739

Name of associated company	**Country of incorporation**	**Number and type of shares**	**% holding**	**Carrying amount 2019 USD**	**2018 USD**
Searock Developers FZC	United Arab Emirates	50 equity shares of AED 1,500 each	50%	-	1,250
		Amount advanced		**15,649,605**	15,654,489
				15,649,605	15,655,739

The initial cost of investment in Searock Developers FZC amounted to USD20,436.

Searock Developers FZC is engaged in Real Estate Development and related activities.

The amount advanced to associated company of USD15,649,605 is unsecured, interest free and is expected to be settled in cash after more than one year.

The Company, as required by International Accounting Standards 28, is preparing financial statements under the equity method of accounting for its investment in associated undertakings.

The summarised information of Searock Developers FZC used in applying the equity method of accounting are as follows:

Year ended	**Assets**	**Liabilities**	**Revenues**	**Losses**
	USD	**USD**	**USD**	**USD**
31 March 2019	**31,167,060**	**2,573**	**-**	**(12,268)**
31 March 2018	31,202,064	2,451	42	(12,115)

The directors are of the opinion that there is no need for impairment on the value of the investment in Searock Developers FZC at 31 March 2019 given that Searock Developers FZC is still in its developmental stage and continues to pursue its main objective of developing residential and commercial projects on the island acquired for "The World" project in the United Arab Emirates.

10. Receivables and prepayments

	The Group		The Company	
	2019	2018	**2019**	2018
	USD	USD	**USD**	USD
Deposit	**63,316**	5,682	**-**	-
Prepayments	**4,014**	4,013	**1,938**	1,938
Rent receivable	**-**	29,244	**-**	-
VAT receivable	**1,590**	-	**-**	-
	68,920	38,939	**1,938**	1,938

11. Stated capital

	The Company	
	2019	2018
	USD	USD
Issued and fully paid		
Ordinary shares of USD1 each		
At beginning and end of the year	**9,933**	9,933
Optionally convertible preference shares of USD1 each		
At beginning and end of the year	**22,774,300**	22,774,300
Total	**22,784,233**	22,784,233

Ordinary shares are non-redeemable shares and have right to distribution. Holders of the ordinary shares have the right to vote on all matters submitted to shareholders except those requiring approval of the optionally convertible preference shareholders.

Optionally convertible preference shares ("OCPS") are redeemable at par by the Company to its holders and are not to be redeemed below its issue price. The OCPS can be converted into ordinary shares at the option of its holder as well as at the option of the Company at any time after issue of OCPS. The OCPS can be converted within 10 years in the ratio of one OCPS for one ordinary share. The OCPS do not have any voting rights at shareholders' meetings of the Company except on matters affecting their rights. The OCPS have priority for distribution over ordinary shares on winding up.

12. Trade and other payables

	The Group		The Company	
	2019	2018	**2019**	2018
	USD	USD	**USD**	USD
Payable to supplier		-	**-**	**-**
Other payable	**61,758**	59,565	**-**	-
Accruals	**10,011**	8,941	**4,370**	5,676
Contract liabilities	**24,241**	-	**-**	-
Deferred rental income	**-**	7,545	**-**	-
	96,010	76,051	**4,370**	5,676

13. Cost of revenue

	The Group	
	2019	2018
	USD	USD
Amortisation/depreciation of investment property	**447,618**	428,308
Repairs and maintenance	**46,883**	3,048
Other direct costs	**18,201**	-
	512,702	431,356

14. Financial instruments and associated risks

The Group and the Company are exposed to various types of risks that are associated with the financial instruments. The most important types of financial risk to which the Group and the Company are exposed are market risk, credit risk and liquidity risk.

The nature and extent of the financial instruments outstanding at end of the reporting period and the risk management policies employed by the Group and the Company are discussed below.

(a) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk. The Group's and the Company's market risk are managed by the Company in accordance with policies and procedures in place.

(i) Currency risk

The Group and the Company may enter into transactions denominated in currencies other than its functional currency. Consequently, the Group and the Company are exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's and the Company's assets or liabilities denominated in currencies other than the USD.

14. Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Currency profile

The Group's and the Company's total net exposure to fluctuations in foreign currency exchange rates at the end of the reporting period were as follows:

	The Group			
	2019		2018	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
Dirhams	**123,432**	**96,010**	54,915	70,375
United States Dollars	**15,660,714**	**4,370**	15,667,529	5,676
	15,784,146	**100,380**	15,722,444	76,051

	The Company			
	2019		2018	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
United States Dollars	**22,537,989**	**4,370**	22,564,804	5,676

Sensitivity analysis

The following table details the Company’s sensitivity to a 5% increase and decrease in Dirhams against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Dirhams strengthens 5% against the USD. For a 5% weakening of Dirhams against the USD, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

14. Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

	Increase /(decrease) in foreign exchange rate	The Group		The Company	
		Effect on equity		Effect on equity	
		2019	2018	**2019**	2018
Depreciation of USD in relation to Dirhams	**+5%**	**1,443**	736	**-**	-
Appreciation of USD in relation to Dirhams	**-5%**	**(1,306)**	(814)	**-**	-

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's and the Company’s financial assets (except bank deposits) and liabilities are non-interest-bearing. As such, the Group and the Company are not subject to significant risk due to fluctuations in the prevailing levels of the market interest rates. Interest income from bank deposits may fluctuate in amount, in particular due to changes in the interest rates. However, the interest rate risk of the Group and the Company was insignificant on its cash at bank as at 31 March 2019.

(iii) Price risk

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

The Company is not exposed to price risk as the shares of the investee companies are not quoted.

(b) Credit risk

Credit risk represents the potential loss that the Group and the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Group and the Company. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

14. Financial instruments and associated risks (continued)

(b) Credit risk (continued)

The maximum exposure of financial assets to credit risk for the year is as follows:

	The Group		The Company	
	2019	2018	**2019**	2018
	USD	USD	**USD**	USD
Advances to associated company	**15,649,605**	15,654,489	**22,526,880**	22,551,764
Cash and cash equivalents	**69,635**	33,029	**11,109**	13,040
	15,719,240	15,687,518	**22,537,989**	22,564,804

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Company's reputation.

The following are the contractual maturities of financial liabilities:

	The Group		The Company	
	Less than one year	**Between 1 and 5 years**	**Less than one year**	**Between 1 and 5 years**
	USD	**USD**	**USD**	**USD**
At 31 March 2019				
Trade and other payables	**96,010**	**-**	**4,370**	**-**
At 31 March 2018				
Trade and other payables	76,051	-	5,676	-

14. Financial instruments and associated risks (continued)

(d) Capital risk management

The Group's and the Company's primary objectives when managing capital are to safeguard their ability to continue as a going concern.

The Group and the Company define "capital" as including all components of equity.

The Group's and the Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Group and the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group and the Company, to the extent that these do not conflict with the directors' fiduciary duties towards the Group and the Company or the requirements of local regulation.

The Group and the Company were not subject to externally imposed capital requirements during the year under review.

(e) Fair values

The carrying amounts of the financial assets and liabilities approximate their fair values.

The following table sets out the fair value of the financial instruments:

2019	**The Group**		**The Company**	
	At amortised cost	**Total carrying amount**	**At amortised cost**	**Total carrying amount**
	USD	**USD**	**USD**	**USD**
Financial assets				
Receivables	**64,906**	**64,906**	**-**	**-**
Cash and cash equivalents	**69,635**	**69,635**	**11,109**	**11,109**
	134,541	**134,541**	**11,109**	**11,109**
Financial liability				
Trade and other payables	**96,010**	**96,010**	**4,370**	**4,370**

2018	The Group		The Company	
	At amortised cost	Total carrying amount	At amortised cost	Total carrying amount
	USD	USD	USD	USD
Financial assets				
Receivables	34,926	34,926	-	-
Cash and cash equivalents	33,029	33,029	13,040	13,040
	67,955	67,955	13,040	13,040
Financial liability				
Trade and other payables	68,506	68,506	5,676	5,676

Belle Terre Realty Limited AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Related party transactions

Name of related parties	Relationship	Nature of transactions	Volume 2019 USD	Balance 2019 USD	Balance 2018 USD
The Company					
Advances to investee companies					
Oasis Holding (FZC)	Subsidiary company	Amount advanced	**(20,000)**	**6,877,275**	6,897,275
Searock Developers FZC	Associated company	Amount advanced	**-**	**15,654,489**	15,654,489
			(20,000)	**22,531,764**	22,551,764
The Group					
Advance to investee company					
Searock Developers FZC	Associated company	Amount advanced	**(4,884)**	**15,649,605**	15,654,489
Capital contribution					
GRP Holdings Limited	Shareholder of the Subsidiary	Amount received	**(163,146)**	**5,464,111**	5,627,257

16. Holding and ultimate holding companies

The directors regard Jai Realty Ventures Limited as the Company’s holding company and Jai Corp Limited as its ultimate holding company, both companies incorporated in India. Jai Corp Limited is listed on the National Stock Exchange and Bombay Stock Exchange in India.

17. Events after the reporting period

There have been no material events since the end of the reporting period which would require disclosures or adjustments to the financial statements for the year ended 31 March 2019.

The Chief Executive
Financial Services Commission
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Belle Terre Realty Limited

CERTIFICATE OF THE AUDITORS IN ACCORDANCE WITH CONDITION 9(b) OF THE CATEGORY 1 GLOBAL BUSINESS LICENCE ISSUED BY THE FINANCIAL SERVICES COMMISSION

This certificate is made solely for the purpose of satisfying condition 9(b) of the Category 1 Global Business Licence issued by the Financial Services Commission to **Belle Terre Realty Limited** (the "Company"). Condition 9 stipulates that whenever the Company is promoted by Indian Residents/Indian Corporation, the Company:

(a) shall not reinvest into India funds derived from sources within India, failing which this licence may be revoked under provisions of Section 74(5) of the Financial Services Act 2007;

(b) shall, every year together with the accounts submitted under Section 30(1) of the Financial Services Act 2007 submit to the Financial Services Commission a certificate from its auditor to the effect that the Company has fully complied with paragraph 9(a) above.

We have examined the books and records of the Company as prepared and submitted to us by the Directors for the year ended 31 March 2019.

Based on our examination thereof, nothing has come to our attention that causes us to believe that the Company did not comply, in all material respects, with Condition 9(a) in the year ended 31 March 2019.

Our certificate is solely for the purpose set forth in the first paragraph of this certificate, and should not be distributed to or used by other parties.

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Nexia Baker & Arenson
Chartered Accountants

Date:………………………