EIH FLIGHT SERVICES LTD

ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

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EIH FLIGHT SERVICES LTD

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of catering services to airlines.

REVIEW OF THE BUSINESS

The Company's loss for the year is **Rs 69,543,781** (2021: Rs 71,835,894). The total comprehensive income amounts to **Rs 70,562,781** (2021: Rs 71,419,894).

The Directors do not recommend the payment of a dividend for the year under review (2021: Rs Nil).

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The financial statements of the Company for the year ended 31 March 2022 are set out on pages 15 to 55. The independent auditor's report on these financial statements is on pages 11 to 14.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, 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 Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

EIH FLIGHT SERVICES LTD

DIRECTORS' REPORT (CONTINUED)

AUDITOR

The fees paid to the auditor, PricewaterhouseCoopers, for audit and tax compliance services were:

	2022 Rs	2021 Rs
Statutory audit fee	**600,000**	480,000
Tax compliance services	**114,600**	112,000
Other certification services	**255,000**	247,000
	969,600	839,000

The auditor, PricewaterhouseCoopers, has indicated its willingness to continue in office and will be automatically reappointed at the Annual Meeting.

Authorised by the Board of directors on 14 April 2022
and signed on its behalf by:

DocuSigned by:
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14/4/22

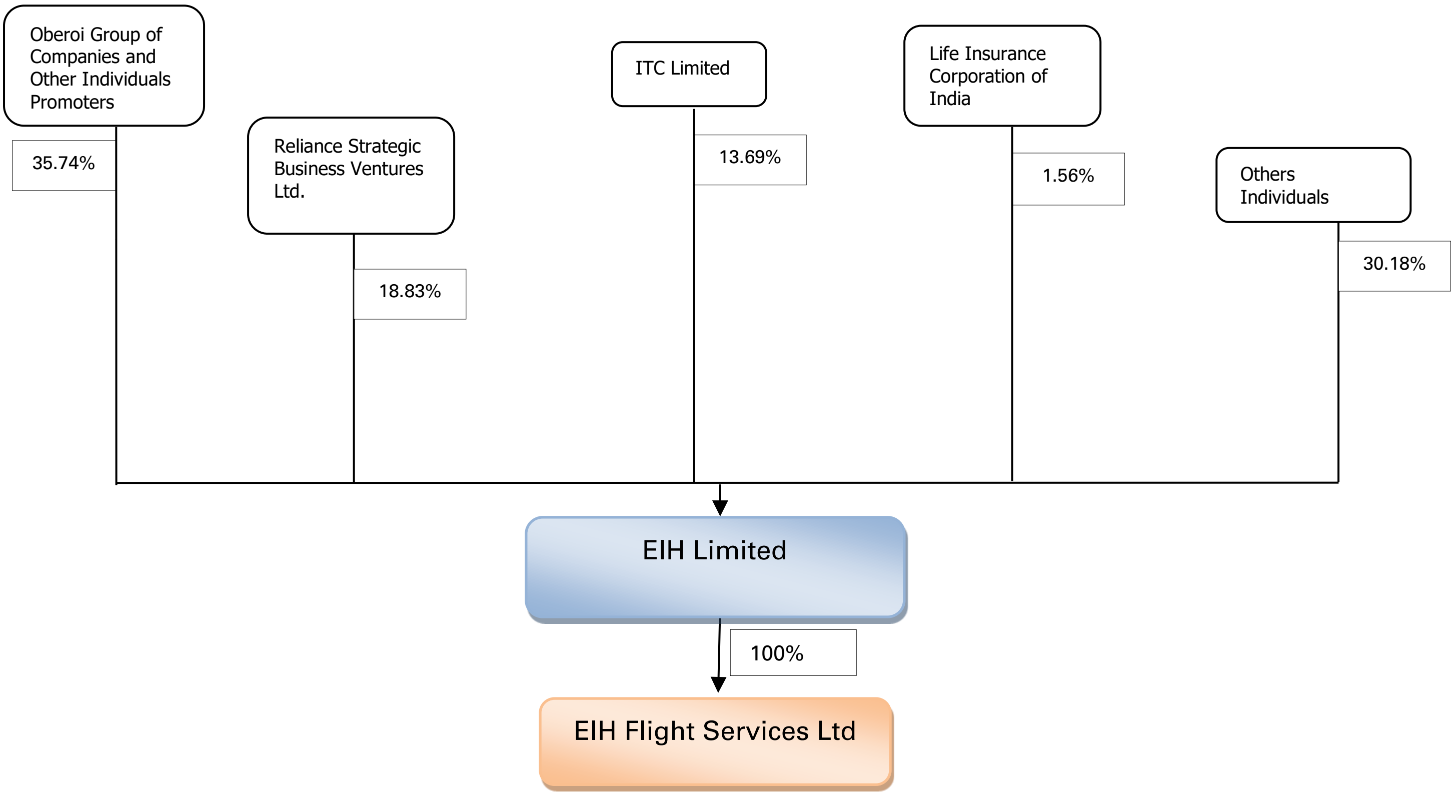
} DIRECTORS

EIH FLIGHT SERVICES LTD

CORPORATE GOVERNANCE REPORT

HOLDING STRUCTURE AND COMMON DIRECTORS

The Company is held by EIH Limited (100%), a public listed company in India.



The list of common Directors at the cascading holding structure level is disclosed as follows:

Directors / Companies	**Mr Prithviraj Singh Oberoi**	**Mr Shib Sanker Mukherji**	**Mr Zafar Siamwala**	**Mrs Risha Ranlaul-Sookun**
EIH Limited	√	√		
Oberoi Hotels Private Limited	√			
Oberoi Holdings Private Limited	√			
Oberoi Investments Private Limited	√	√		

Mr Prithviraj Singh Oberoi is also a Director of other Oberoi companies.

SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY

EIH Limited held 100% of the Company's shares as at 31 March 2022.

CORPORATE GOVERNANCE REPORT (CONTINUED)

DIVIDEND POLICY

There is no formal dividend policy in place as the Company never had distributable reserves since the start of its operations. A formal dividend policy will be considered when distributable reserves are available.

BOARD OF DIRECTORS

The Board is comprised of four Directors.

The following Directors held office during the year ended 31 March 2022 and at the date of this report:

Mr Prithviraj Singh Oberoi
Mr Shib Sanker Mukherji
Mr Zafar Siamwala (Chairperson)
Mr Zafar Siamwala (Alternate to Mr Prithviraj Singh Oberoi)
Mrs Risha Ranlaul-Sookun

DIRECTORS' PROFILE

Mr. P. R. S. Oberoi (appointed on 29 June 2007)

Mr. P.R.S. Oberoi is the Executive Chairman of The Oberoi Group. He was educated in India, the United Kingdom and Switzerland. Mr. Oberoi graduated with a degree in Hospitality from the University of Lausanne, Switzerland.

Mr. Oberoi has been instrumental in pioneering the development of the new Oberoi hotels and resorts. The "Oberoi" brand has come to represent fine luxury hotels.

Mr. Oberoi was awarded the 'Padma Vibhushan', India's second highest civilian honour, in recognition of his exceptional service to the country in 2008.

In September 2009, Mr. Oberoi received the Lifetime Achievement Award at the first Economic Times TAAI Travel Awards 2009.

Mr. Oberoi was presented with the '2010 Corporate Hotelier of the World' award by HOTELS magazine in November 2010. Mr. Oberoi has over 60 years' experience in the hospitality industry.

Mr Shib Sanker Mukherji (appointed on 29 June 2007)

Mr Shib Sankar Mukherji is a member of the Institute of Chartered Accountants of India and has completed an Advanced Management Programme from Harvard University in the United States. He has over 50 years of working experience in the hospitality industry. He was appointed as Deputy Managing Director in 1998, then promoted as Managing Director of EIH Limited. He was Vice Chairman and CEO of EIH Limited from 2013 to March 2015. Mr. Mukherji is now the Executive Vice Chairman of EIH Limited since 1 April 2015.

Mr Zafar Siamwala (appointed on 19 March 2007)

Mr Zafar Siamwala is a qualified Chartered Accountant. He has completed a Hospitality Management course from Ecole Hoteliere de Lausanne in 2001. Mr Siamwala has over 32 years of working experience with the Oberoi Group. He was initially in the finance department and has moved to the operations department since 1995.

CORPORATE GOVERNANCE REPORT (CONTINUED)

DIRECTORS' PROFILE (Continued)

Mrs Risha Ranlaul-Sookun (appointed on 19 August 2020)

Mrs Risha Ranlaul-Sookun is a Client Service Manager at Ocorian Corporate Services (Mauritius) Limited (OCORIAN). She is an Associate member of the Institute of Chartered Secretaries and Administrators (ACIS) and she has over 12 years' of professional experience in corporate structuring, company administration, company secretarial and client relationship for a number of international companies registered in Mauritius with a wide range of industries including domestic companies.

MEETINGS HELD IN 2021-2022

The Board met eight times during the year 2021-2022

The Directors do not have other directorships in listed companies in Mauritius.

Mr Prithviraj Singh Oberoi indirectly holds 0.05% shareholding in the Company via EIH Limited.

Mr Shib Sanker Mukherji indirectly holds 1.45% shareholding in the Company via EIH Limited.

DIRECTORS' REMUNERATION

The Directors, being the representatives of the holding company, are not entitled to remuneration as the Company does not have a remuneration policy in place for its Directors.

STATEMENT OF REMUNERATION PHILOSOPHY

For remuneration paid to employees of the Company, the Company ensures that the employees at all levels are paid in line with the market rate. The Company believes in recruiting and retaining the best talent in the industry.

THE BOARD – COMPOSITION, COMMITTEES AND APPRAISAL

The new Code of Corporate Governance (the 'Code') came into force on 1 July 2017, repealing the previous one from 2003.

With the new definition of Public Interest Entities ('PIEs'), the Company is no longer classified as a PIE under the new Code.

However, the Company shall continue to follow the principles of good governance in appraising its Board and also continue to follow the principles of good governance as the Board deems appropriate.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PROFILE OF SENIOR MANAGEMENT TEAM

Mr Samar Kumar - Chief Accountant (appointed on 01 March 2017)

Mr Samar Kumar is the Chief Accountant of the Company. He has an experience of more than 35 years in the hospitality industry. He holds a B.Com (Hons.) Chartered Accountancy Intermediate. He joined the Oberoi Group as an Accounts Executive in February 1987 and has been a Chief Accountant in the Oberoi Group since October 2000. Mr Samar has been transferred to EIH office in Calcutta, India as from April 2022 and he has been appointed as Chief Accountant.

Mr Karthik Sukumar – General Manager (appointed on 01 September 2018)

Mr Karthik Sukumar is the General Manager of the Company. He has more than 25 years' experience in hospitality industry (Flight Catering). He is a graduate in hotel management and has been working with the Company since 1996.

RELATED PARTY TRANSACTIONS

Details of related party transactions have been disclosed in Note 23 to the financial statements.

MATERIAL CLAUSES OF THE COMPANY'S CONSTITUTION

There are no material clauses to the Constitution of the Company.

MATERIAL CLAUSES OF THE SHAREHOLDERS' AGREEMENT

The Company does not have a Shareholders' Agreement in place, as it is wholly owned by only one shareholder, namely EIH Limited.

RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, namely market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focusses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures.

Risk management is carried out by the Company under policies approved by senior management. The holding company has various group policies in place which are also applicable at the level of the Company.

Compliance risk with local laws and regulations

Compliance risk is being monitored by Ocorian Corporate Administrators Limited (Ocorian) pursuant to a Service Agreement between ABAX (now known as Ocorian) and the Company.

Details of risk management and more details on the various types of risks faced by the Company have been disclosed in Note 4 of the financial statements.

CORPORATE GOVERNANCE REPORT (CONTINUED)

SHARE OPTION PLAN

The Company does not have any employee share option plan.

CHARITABLE DONATIONS

The Company did not make any charitable donations during the year ended 31 March 2022 (2021 - Nil).

POLITICAL DONATIONS

The Company did not make any political donations during the year ended 31 March 2022 (2021 – Nil).

SOCIAL, ETHICAL, SAFETY, HEALTH AND ENVIRONMENTAL ISSUES

The Company has the following policies in place:

1. Occupational Health and Safety Policy

The objective of the Occupational Health and Safety Policy is to give practical advice on how to reduce health and safety risks associated with Operation work. It summarises employers' responsibilities and provides a checklist for employers and staff themselves.

2. Food Safety Policy

The Company is committed to deliver Quality Food that is tasty, appealing, and safe and of the highest hygiene standards to its clients on time. The Company continuously strives to improve its Supply Chain Management, Food Safety Management System and HACCP System by adopting the latest Technology and respecting the International Standards.

The Company improves the skills and competency of its employees by training and developing its team members.

3. Environment Policy

The Oberoi Group sees itself as an organisation which is committed to the environment by using natural products and recycled items thus ensuring proper use of diminishing natural resources.

The Company is committed to continually improve the environment by:

(a) Optimising the usage of resources such as energy, effluent treatment of water.

(b) Enhancing the practice of awareness amongst its suppliers and employees and minimising its carbon foot print.

(c) Providing a hygienic and safe working environment within its premises and also maintaining and increasing the greenery within and around its premises.

(d) Implementing Rain Water Harvesting Technology and using Solar energy in its premises.

(e) Minimising adverse impact on the environment by constantly adopting improvements in available technology.

CORPORATE GOVERNANCE REPORT (CONTINUED)

SOCIAL, ETHICAL, SAFETY, HEALTH AND ENVIRONMENTAL ISSUES (CONTINUED)

4. Health and Safety Policy

The Company ensures that Health and Safety of its employees are always given priority and all measures are taken to safeguard it.

INTERNAL CONTROL AND AUDIT

The Company has internal controls in place which are in line with the EIH Group Policy and Standards. The internal controls in place are commensurate to the size and nature of the business of the Company. These controls are strictly monitored by the management by regular checks and are also reviewed on continuous basis to further strengthen them.

IMPORTANT EVENTS

The Calendar for the year ending 31 March 2023 is as follows:

	EVENTS	DATES
1	Quarterly Board meetings	April 2022 July 2022 October 2022 January 2023
2	Annual Meeting	May 2022

Authorised for issue by the Board of Directors on 14 April 2022
and signed on its behalf by:

DocuSigned by:
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} **DIRECTORS**

SECRETARY'S CERTIFICATE

TO THE MEMBER OF EIH FLIGHT SERVICES LTD

UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001

We confirm, as Secretary of the Company, that based on the records and information made available to us by the Directors and Shareholder of the Company, we have filed all such returns for the year ended 31 March 2022 with the Registrar of Companies, as required under the Companies Act 2001.

Dated 14 April 2022

Fayaz DOOBARRY, ACCA
FOR
OCORIAN CORPORATE
ADMINISTRATORS LIMITED

Ocorian Corporate Administrators Limited
CORPORATE SECRETARY

Independent Auditor's Report

To the Shareholder of
EIH Flight Services Ltd

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of EIH Flight Services Ltd (the "Company") as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

The financial statements of EIH Flight Services Ltd set out on pages 15 to 55 comprise:

- the statement of financial position as at 31 March 2022;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent Auditor's Report

To the Shareholder of
EIH Flight Services Ltd (Continued)

Report on the Audit of the Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the directors' report, the corporate governance report and the secretary's certificate 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 identified above 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of 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 in compliance with the Mauritian 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Independent Auditor's Report

To the Shareholder of
EIH Flight Services Ltd (Continued)

Report on the Audit of the Financial Statements (Continued)

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

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

Independent Auditor's Report

To the Shareholder of
EIH Flight Services Ltd (Continued)

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

(a) we have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor;
(b) we have obtained all the information and explanations we have required; and
(c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

PricewaterhouseCoopers | Harrykrishna Veerapen, licensed by FRC

14 April 2022

EIH FLIGHT SERVICES LTD

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

	2022 Rs	2021 Rs
Revenue from contracts with customers (Note 5)	**69,663,558**	19,114,433
Cost of sales	(**61,111,687**)	(29,914,066)
Gross profit	**8,551,871**	(10,799,633)
Other income	**20,911,814**	23,707,199
Administrative expenses	(**76,662,898**)	(60,588,602)
Operating loss (Note 6)	(**47,199,213**)	(47,681,036)
Finance income	**358,658**	579,905
Finance cost	(**22,703,226**)	(23,041,659)
Finance costs - Net (Note 8)	(**22,344,568**)	(22,461,754)
Loss before income tax	(**69,543,781**)	(70,142,790)
Income tax expense (Note 9)	-	(1,693,104)
Loss for the year	(**69,543,781**)	(71,835,894)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefits obligations (Note 20 (e))	(**1,019,000**)	416,000
Total other comprehensive income for the year	(**1,019,000**)	416,000
Total comprehensive income for the year	(**70,562,781**)	(71,419,894)

The notes on pages 19 to 55 are an integral part of these financial statements.

EIH FLIGHT SERVICES LTD

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	2022 Rs	2021 Rs
ASSETS		
Non-current assets		
Property, plant and equipment (Note 11)	**267,215,575**	285,504,083
Deferred income tax asset (Note 10)	**19,606,855**	19,606,855
Right-of-use assets (Note 12)	**145,853,005**	151,700,583
	432,675,435	456,811,521
Current assets		
Inventories (Note 13)	**3,519,619**	4,244,192
Trade and other receivables (Note 14)	**14,722,930**	14,505,609
Cash in hand and at bank (Note 15)	**314,759**	64,946
	18,557,308	18,814,747
Total assets	**451,232,743**	475,626,268
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share capital (Note 16)	**790,440,060**	690,440,060
Accumulated losses	**(849,407,267)**	(779,863,486)
Other reserves (Note 17)	**246,000**	1,265,000
Shareholders' deficit	**(58,721,207)**	(88,158,426)
Liabilities		
Non-current liabilities		
Borrowings (Note 19)	**338,115,037**	390,387,272
Retirement benefits obligations (Note 20)	**6,112,000**	4,369,000
	344,227,037	394,756,272
Current liabilities		
Trade and other payables (Note 18)	**47,214,249**	33,662,199
Borrowings (Note 19)	**85,839,589**	106,066,947
Bank Overdraft (Note 15)	**32,673,075**	29,299,276
	165,726,913	169,028,422
Total liabilities	**509,953,950**	563,784,694
Total equity and liabilities	**451,232,743**	475,626,268

Authorised for issue by the Board of directors on 14 April 2022
and signed on its behalf by:

DocuSigned by:
38A5D00ADBF345F

14/4/22 } **DIRECTORS**

The notes on pages 19 to 55 are an integral part of these financial statements.

EIH FLIGHT SERVICES LTD

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

	Share capital Rs	Accumulated losses Rs	Other reserves Rs	Total Rs
At 01 April 2020	690,440,060	(708,027,592)	849,000	(16,738,532)
Loss for the year	-	(71,835,894)	-	(71,835,894)
Other comprehensive income for the year	-	-	416,000	416,000
Total comprehensive income for the year	-	(71,835,894)	416,000	(71,419,894)
At 31 March 2021	690,440,060	(779,863,486)	1,265,000	(88,158,426)
Transaction with owners of the Company:				
Issue of shares	**100,000,000**	-	-	**100,000,000**
Loss for the year	-	**(69,543,781)**	-	**(69,543,781)**
Other comprehensive income for the year	-	-	**(1,019,000)**	**(1,019,000)**
Total comprehensive income for the year	-	**(69,543,781)**	**(1,019,000)**	**(70,562,781)**
At 31 March 2022	**790,440,060**	**(849,407,267)**	**246,000**	**(58,721,207)**

The notes on pages 19 to 55 are an integral part of these financial statements.

EIH FLIGHT SERVICES LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	Rs	Rs
Cash flow from operating activities		
Loss before income tax	**(69,543,781)**	(70,142,790)
Adjustments for non-cash items:		
Depreciation on Property, Plant and Equipment (Note 11)	**18,288,508**	18,921,687
Depreciation on Right-of-use assets (Note 12)	**5,847,578**	5,847,578
Interest expense (Note 8)	**22,415,529**	22,850,090
Increase in retirement benefits obligations (Note 20(d))	**937,000**	1,130,000
Profit on disposal	-	(264,833)
Operating loss before working capital changes	**(22,055,166)**	(21,658,268)
Decrease in inventories	**724,573**	1,590,206
(Increase)/ decrease in trade and other receivables	**(217,321)**	19,471,245
Increase/ (decrease) in trade and other payables	**13,552,050**	(19,318,279)
Employer contribution for retirement benefits obligations (Note 20(a))	**(213,000)**	-
Cash from/ (used in) operating activities	**(8,208,864)**	(19,915,096)
Interest paid on bank borrowings and bank overdraft (Note 25)	**(10,041,254)**	(11,254,301)
Net cash used in operating activities	**(18,250,118)**	(31,169,397)
Cash flows from investing activities		
Proceeds from disposal	-	432,650
Net cash used in investing activities	-	432,650
Cash flow from financing activities		
Payment on lease liabilities (Note 25)	**(523,868)**	(1,747,282)
Repayment of bank borrowings (Note 25)	**(84,350,000)**	-
Loan received (Note 25)	-	7,600,000
Issue of shares (Note 16)	**100,000,000**	-
Net cash from financing activities	**15,126,132**	5,852,718
Net decrease in cash and cash equivalents	**(3,123,986)**	(24,884,029)
Cash and cash equivalents at beginning of year	**(29,234,330)**	(4,350,301)
Cash and cash equivalents at end of year (Note 15)	**(32,358,316)**	(29,234,330)

Refer to Note 25 for Notes to Statement of cash flows.

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

1 GENERAL INFORMATION

EIH Flight Services Ltd (the ''Company'') is a private company incorporated on 03 January 2007 and domiciled in Mauritius. The address of its principal place of business is opposite Airport Police Station, Plaine Magnien, Mauritius. Under the new Code of Corporate Governance which came into force on 01 July 2017, repealing the previous one from 2003, the Company is no longer classified as a Public Interest Entity and therefore, has no obligation to disclose a full compliant corporate governance report. However, for good governance purposes, a concised version of a corporate governance report has been prepared and disclosed.

The principal activity of the Company is the provision of catering and ancillary services to airlines.

These financial statements have been submitted for consideration and approval at the meeting of Directors and thereafter will be submitted for consideration and adoption at the forthcoming Annual Meeting of the shareholder of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES

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

(i) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and 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 the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

As at 31 March 2022, the Company was in a shareholder's deficit position of **Rs 58,721,207** (2021 – Rs 88,158,426), in a net current liability position of **Rs 147,169,605** (2021 - Rs 150,213,675) and for the year ended 31 March 2022, the Company has incurred a loss of **Rs 69,543,781** (2021 – Rs 71,835,894).

During the year ended 31 March 2022, the Company incurred net cash outflows of **Rs 18,250,118** (2021 - Rs 31,169,397) from its operations and has a bank overdraft facility of **Rs 32,500,000** (2021 – Rs 32,500,000) to meet its day-to-day working capital requirements. At 31 March 2022, the net overdraft balance was **Rs 32,358,316** (2021 – Rs 29,234,330).

The above financial performance is due to the impact of the global outbreak of the coronavirus ("COVID-19") and the measures put in place by governments worldwide to restrict international travel during 2021.

The Directors are of the opinion that the financial statements can be prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future, due to the following reasons:

EIH FLIGHT SERVICES LTD

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Basis of preparation (Continued)

Going concern (Continued)

1. Projections
Revenue

a. For the year ending on 31 March 2023, the directors have projected revenue to increase to Rs 275,500,000. This is made up of Rs 256,400,000 revenue from airline catering services and Rs 19,100,000 revenue from outdoor catering services.

(i) The travel restrictions to Mauritius has been relaxed in a phased manner in the 3rd quarter of FY 21-22 paving the way for reopening of the airport operations for commercial flights after a period of around 18 months. Further relaxations in the sanitary protocols are expected in the coming weeks, this will further facilitate the ease of travelling and encourage more tourists to visit the island. We are noticing a general trend with increased frequencies in the second half of FY 22-23 onwards indicating a positive development towards business and tourism based travelling returning to pre-covid levels. The assumptions are as follows:

	Q1' 2022	Q2' 2022	Q3' 2022	Q4' 2023
Revenue (thousand meals)	355	517	702	655
Revenue (Rs'm)	42	62	88	83

(ii) As for outdoor catering services, since FY 2022, the Company has entered into a few contracts with clients to cater for special events, to provide meals for sale in retail stores, or for the institutional catering of a business school's meals.

(iii) The Directors continue to negotiate with other potential customers and seek for new opportunities, including frozen meals.

Costs

a. For the year ending on 31 March 2023, the Directors have projected food costs of Rs 110,300,000 to cater for the projected revenue, and other costs of Rs 176,000,000. For other operating costs, cost savings initiatives were effectively undertaken by the Directors as from FY 2021, such as the termination of contracts with subcontractors for the employment of casual workers and the bulk buying of certain products as part of the Oberoi Group.

b. The Company obtained Rs 18,967,196 from the government wage assistance scheme during FY 2022 up to 31 December 2021.

c. The Company is also continually seeking ways to eliminate waste at each level with micro analysis by a dedicated core team comprising the department heads.

Liquidity

a. During the year ended 31 March 2022, the Company negotiated for extension of its overdraft facility from Rs 25,000,000 to Rs 32,500,000 and has finished the year with a net overdraft balance of Rs 32,358,316.

b. Based on the revenue and costs projections detailed above, the Company has reassessed its cash flow forecasts on a monthly basis for the forthcoming financial year and predicts that it will close FY 2023 with repayment of entire term loan balance and overdraft balance in April 2022, on the assumption that both the debtors' and creditors' payment days are 30 to 45 days, and that it obtains continual financial support from its parent of around Rs 287,200,000 during the year 2022-23.

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Basis of preparation (Continued)

Going concern (Continued)

c. As per note 19 of the financial statements, the Company will need to pay Rs 234,365,604 of its bank borrowings by 31 March 2023. As part of its arrangement with the lender, EIH Limited, the parent company, has provided a repayment undertaking as follows:

   (i) To inject an amount of Rs 287,200,000 as shareholder's equity by April 2022 to repay its entire outstanding term loan balance and overdraft balance by 31 March 2023;

2. Financial support from EIH Limited

a. The Company is a subsidiary of EIH Limited, which is part of the wider Oberoi Group, and continual financial support has been provided by its parent to the Company, whenever required, since the start of operations. The parent company has provided a letter of support to confirm that financial support will still be provided for the foreseeable future and over the next twelve months.

b. The ability of the parent company to provide support has considered the potential adverse impact of the COVID-19 pandemic.

While the Directors acknowledge that there is a certain degree of uncertainty surrounding COVID-19, the Directors are comfortable that the Company will continue into operations for at least the next twelve months and as such, the financial statements have been prepared on the going concern basis.

(ii) Changes in accounting policy and disclosures

New standards, amendments to existing standards and interpretations issued and effective for the first time for the financial year beginning 01 April 2021

There has been amendments to existing standards and interpretations that have become effective for the current year. The Company has adopted the following new amendments to existing standards during the year:

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company as the latter has not entered into any loan arrangement containing IBOR.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Changes in accounting policy and disclosures (Continued)

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 01 April 2021.

The Company has not received Covid-19-related rent concessions and therefore the amendment to IFRS 16 has no impact on the financial statements.

New standards, amendments to existing standards and interpretations issued but effective for financial period beginning after 01 April 2021 and not early adopted by the Company

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 01 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing agreements may require renegotiation.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Changes in accounting policy and disclosures (Continued)

New standards, amendments to existing standards and interpretations issued but effective for financial period beginning after 01 April 2021 and not early adopted by the Company (Continued)

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 (Continued)

The amendment is effective for annual reporting periods beginning on or after 01 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The directors have assessed the impact of this amendment and concluded that it will have no impact on the financial performance of the Company as there was no disposal of property, plant and equipment during the year.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 01 January 2022 with earlier adoption permitted.

The directors have assessed the impact of this amendment and concluded that it will have no impact on the Company's financial performance as the Company has not modified any terms for its financial liabilities during the year under review.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 01 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the above amendments on the financial statements and they are not expected to have a significant impact.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Mauritian rupees ("Rs"), which is the Company's functional and presentation currency. The Mauritian rupee is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(b) Transactions and balances

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

Foreign exchange gains and losses are presented in profit or loss within 'Finance costs - Net'.

Taxation

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Property, plant and equipment (Continued)

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss in the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The annual rates used are:

Buildings on leasehold land	3.33%
Furniture, fittings and other equipment	3.00% to 10.00%
Office equipment	33.00%
Motor vehicles	20.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in profit or loss within 'other income'.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Weighted Average Cost (AVCO) Method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(a) Classification and initial measurement

The Company classifies its financial assets in the following measurement categories, as set out in IFRS 9:

- those to be measured subsequently at fair value (either through Other Comprehensive Income ('OCI') or through profit or loss), and;
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (continued)

(a) Classification and initial measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed to profit or loss.

(b) Subsequent measurement

Debt instruments

The Company classifies its debt instruments as follows:

- *Financial assets at amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method ('EIR'). Any gain or loss arising on derecognition is recognised directly in profit or loss and presented under net finance cost, together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

The Company's financial assets at amortised cost includes trade and other receivables (excluding prepayments and tax receivable) and cash and cash equivalents:

Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected within one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses.

EIH FLIGHT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The Company's cash and cash equivalents include cash in hand and at bank, net of bank overdrafts. Bank overdrafts are shown under current liabilities on the statement of financial position

(c) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The financial assets of the Company that are subject to the expected credit loss model are trade receivables arising from provision of catering services.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For further details on impairment of financial assets, see note 4(b).

(d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (continued)

(d) Derecognition (continued)

- The rights to receive cash flows from the asset have expired; 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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables (excluding social securities and other taxes), bank overdraft and borrowings.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Financial instruments (Continued)

Financial liabilities (continued)

(b) Subsequent measurement (continued)

(i) Borrowings (continued)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

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

Impairment of non-financial assets

The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's value in use and its fair value less costs to sell, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Leases

Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Retirement benefit obligations

The retirement benefit obligation is recognised for obligations to provide post-employment benefits. Post-employment benefits are employee benefits (other than termination and short term employee benefits) that are payable after the completion of employment. Post-employment benefit plans are classified as either defined benefit plans or defined contribution plans, depending on the substance of the plan as derived from its principal terms and conditions.

Under defined contribution plans, the entity's legal or constructive obligation is limited to the amount it agrees to contribute to a fund.

Under defined benefit plans:

- The entity's obligation is to provide the agreed benefits to current and former employees; and
- Actuarial risk (that benefits will cost more than expected) and investment risk fall, in substance, on the entity. If actuarial or investment experience are worse than expected, the entity's obligations may be increased.

The defined benefit plan may be unfunded or they may be wholly or partly funded by contributions by an entity, and sometimes its employees, into a fund from which the employee benefits are paid.

The Company is subject to an unfunded defined benefit plan for the employees and has recognised a net defined benefit liability in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the Worker's Right Act 2019.

The liability recognised in the balance sheet in respect of the defined benefit pensions plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation and the current service cost is determined by discounting the estimated future cash flows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and have terms approximating to terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other reserves in the statement of financial position.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Defined contribution plan

Defined pension contribution and contributions to Contribution Sociale Generalisée are expensed in profit or loss in the period in which they fall due.

Share capital

Share capital is determined using the nominal values of shares that have been issued and classified as equity. Ordinary shares are classified as 'share capital' within equity.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Summary of significant accounting policies (Continued)

Revenue recognition

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

Sale of goods

For sales of goods, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customers (delivery), net of value added tax and discounts. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional.

Expenses recognition

Expenses are accounted for in profit or loss on the accrual basis.

Government grants

Government grant are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government Wage Assistance Scheme (GWAS) was introduced in March 2020 and was given during the months of lockdown. Grant obtained under the GWAS are accounted for in other income in the period to which the wage/salaries relate. Repayment of grant (Covid-19 levy) is contingent on the chargeable income of the entity and is recognised as a levy repayable to the tax authorities. The grant is shown net of the Covid-19 levy.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Company makes estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities within the next year. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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 estimates 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 are discussed below:

Retirement benefits obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Retirement benefits obligations (continued)

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 20.

Recognition of deferred tax asset

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

A five years' projections have been prepared whereby the Company is expected to have taxable profits throughout the next five financial years. In line with same, the Company has reviewed its temporary differences, unused tax losses and unused tax credits and determine that it is probable that taxable profits will be available against which part of these can be utilised.

As a consequence, as at 31 March 2022, a deferred tax asset of **Rs 19,606,855** (2021 – Rs 19,606,855) has been recognised, and the unrecognised deferred tax asset amounted to **Rs 77,947,798** (2021 – Rs 68,124,724) (Refer to Note 10 for details).

Going concern

The directors of the Company have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis. Refer to Note 2(i) for further details.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groups of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 4(b).

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As at 31 March 2022, the directors have determined that the right-of-use of asset ("ROUA") and property, plant and equipment ("PPE") does not require any impairment given that the majority of its ROUA and PPE is made up of buildings on leasehold land, the value of which is not expected to decrease significantly due to continual maintenance of the property and that the plant and machinery used by the Company are in good working conditions. Even though this is not a priority of management, any of the plant and machinery could easily be transferred to other companies within the group with minimal costs/losses being incurred by the Company.

4 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks, namely, market risk (including interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing the risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures. Risk management is carried out by the Company under policies approved by senior management.

The Company's exposure to the various types of risks associates to its activity and financial instruments is detailed below.

(a) Market risk

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

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's income and operating cash flows are to some extent dependent on changes in interest rates. The only significant interest bearing financial assets and liabilities held by the Company are borrowings and cash and cash equivalents.

Interest prevailing on the bank borrowings varies as per the SBM Prime Lending Rate which has remained unchanged and interest on leases is fixed.

The Company's interest rate risk arises from bank overdraft. At 31 March 2022, the interest rate on the bank overdraft was **6.50%** (2021: 6.5%). Based on simulations performed, the impact on pre-tax loss and net liabilities of a 1% shift in interest rates would be an increase/(decrease) of **Rs 326,731** (2021 – Rs 292,993).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

(a) Market risk (continued)

(ii) Foreign exchange risk

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

The Company has assets and liabilities denominated in foreign currency, namely Euro ("EUR"). Consequently, the Company is exposed to the risk that the exchange rate of the Mauritian rupee relative to the foreign currency may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities which are denominated in foreign currencies.

Currency profile

As at 31 March 2022, if EUR had weakened/strengthened by 10% against the Mauritian rupee with all other variables held constant, the loss for the year would have been higher/lower by **Rs 118,059** (2021 - Rs 2,364).

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

	Financial Assets 2022 Rs	**Financial Liabilities 2022 Rs**	Financial Assets 2021 Rs	Financial Liabilities 2021 Rs
Mauritian rupee	**11,140,469**	**503,505,887**	12,031,784	559,415,694
Euro	**1,180,591**	**-**	23,637	-
	12,321,060	**503,505,887**	12,055,421	559,415,694

Prepayments amounting to **Rs 572,547** (2021: Rs 562,543) and indirect taxes of **Rs 2,144,082** (2021: Rs 1,952,591) have not been included in financial assets. Retirement benefits obligation of **Rs 6,112,000** (2021: Rs 4,369,000) and social securities and other taxes of **Rs 336,063** (2021: Rs Nil) have not been included in financial liabilities.

(iii) Price risk

Equity price risk is the risk of unfavourable changes in fair value of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at year end since the Company does not have any financial assets or liabilities, where values are linked to the price of equities/shares.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financial activities including cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

(b) Credit risk (continued)

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the directors consider that the ECL is not material as the Company deals with highly reputable financial institutions in the country.

Trade receivables

The Company has trade receivables from different debtors in the airline industry and other industry (the ''Debtors'') amounting to **Rs 8,912,524** at 31 March 2022 (2021 - Rs 8,513,300), which are unsecured, interest free and repayable between 30 to 60 days in the ordinary course of business (the ''Receivable'').

The Company has policies in place to ensure that sales of goods and services are made to customers with an appropriate credit history. Credit facilities are based on the recommendation of sales offices of the Oberoi Group abroad, after performing a credit worthiness check on these customers.

IFRS 9 establishes a simplified impairment approach for qualifying trade receivables that do not contain a significant financing component. This simplification eliminates the need to calculate 12-month ECL and to assess when a significant increase in credit risk has occurred.

The assessment include the following:

- Develop a provision matrix for the Receivable based on each category of Debtors.
- Estimate the payment profiles of each category of Debtors and obtain net exposure at each reporting date based on subsequent payments.
- Consider forward-looking information of each category/ material of Debtors.
- Consider micro and macro-economic environment of each category/material of Debtors.
- Estimate potential losses on the Receivables in an event of default.

In addition, a high level assessment of the impact of Covid-19 on the industry and potential debtors have been carried out.

The Company has adopted a residual risk approach based on analysis of the remaining exposure after accounting for subsequent receipts rather on historical default rates since no debts have been incurred in relation to the sales for the past 3 years.

The receivables balances at 31 March 2022 and 2021 are as follows:

31 March 2022	30 days Rs	60 days Rs	90 days Rs	120 days Rs	Total Rs
Trade receivables	**7,788,894**	**1,059,381**	-	**64,249**	**8,912,524**
31 March 2021					
Trade receivables	2,174,434	-	-	6,338,866	8,513,300

Taking into account the profile of trade receivables (partial state ownership for many) and their history of payments over the last three years, it is of the view that the trade receivables represent a low risk of default, although there is likely to be delays in repayment depending on duration of lockdowns and return to air travels.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

Based on the ''World Economic Outlook January 2022'' analysis by the IMF, the impact of the global economy is expected to grow at 4.4% in 2022, following new variants of Covid-19. Their baseline scenario is that the global economy in 2022 is weaker than previously expected. Energy prices are rising and supply disruptions have resulted in higher inflation. The forecast is subject to adverse health outcomes falling to low levels in most countries by end of 2022, assuming that vaccination rates improve worldwide.

However, the emergence of new variants could prolong the pandemic and create additional economic disruptions.

The current war between Russia and Ukraine has impacted the aviation industry to a certain extent. Closure of the Ukrainian airspace has halted the air movement of approximately 0.8% of total traffic globally as compared to 2021. Several countries have also closed their air space to Russian airlines. Air travel to, from and within Russia has been affected through rising ticket prices and has led to a large decrease in international bookings since February 2022. This is not expected to have a material effect on the Company for the year under review.

Following travel restrictions since March 2020 due to the outbreak of Covid-19, the global air travel has been recovering in 2021. The impact as per the International Air Transport Association (IATA) is as follows:

- The Revenue Passenger Kilometers (RPKs) increased by 34.2% year-on-year in 2021
- Progress on vaccination and improved testing efficiency helped lift domestic lockdowns and reopen some international markets. This pushed global RPKs to 41.6% of 2019 levels in 2021; and
- Global air travel was disrupted at the start of 2022 by new variants of Covid-19 but was significantly better than at the beginning of 2021. Industry-wide RPKs rose by 82.3% year-on-year in January 2022. Improving pandemic developments are expected to result in the further recovery of air travel, though rising inflationary pressures will negatively impact some markets.

The recent credit ratings by Bloomberg in 2022 were analysed and it was noted that the credit ratings range from Baa2- to Baa3 as compared to a range of BBB- to B+ last year and the default rates associated for the above ratings would theoretically be approximately 0.16% (based on the Global Corporate Average Cumulative Default rates as estimated by S&P Global Ratings).

Based on the above analysis and taking into the consideration the payment history of trade receivables over the last 3 years and the industry outlook, management is of the view that the credit risk on the trade receivables as at 31 March 2022 is very low and hence any expected credit loss would not have a significant impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (Continued)

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, 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 Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Company aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year Rs	**Between 1 to 2 years Rs**	**Between 2 to 5 years Rs**	**Over 5 years Rs**
At 31 March 2022				
Trade and other payables	**46,878,186**	-	-	-
Bank loans	**75,268,253**	**59,694,024**	**114,031,670**	-
Lease liability	**25,238,249**	**9,816,220**	**30,427,806**	**375,232,041**
Bank Overdraft	**32,673,075**	-	-	-
	180,057,763	**69,510,244**	**144,459,476**	**375,232,041**

	Less than 1 year Rs	Between 1 to 2 years Rs	Between 2 to 5 years Rs	Over 5 years Rs
At 31 March 2021				
Trade and other payables	33,662,199	-	-	-
Bank loans	109,178,438	61,479,688	173,714,063	-
Lease liability	17,136,067	9,352,565	29,595,876	385,971,267
Bank Overdraft	29,299,276	-	-	-
	189,275,980	70,832,253	203,309,939	385,971,267

Social securities and other taxes of **Rs 336,063** (2021: Nil) have been excluded from trade and other payables. The Company has trade and other receivables of **Rs 12,006,301** (2021 – Rs 11,990,475) that are expected to be received within one year and cash in hand and at bank of **Rs 314,759** (2021 – Rs 64,946). These will be used to partly finance the liabilities for less than one year. The Company would also have recourse to its parent to finance for any shortage of fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial instruments

(a) Categories of financial instruments

	2022	2021
Financial assets at amortised cost:	**Rs**	Rs
Financial assets		
Cash in hand and at bank	**314,759**	64,946
Trade and other receivables	**12,006,301**	11,990,475
Total assets	**12,321,060**	12,055,421

	2022	2021
Financial liabilities at amortised cost:	**Rs**	Rs
Financial liabilities		
Borrowings	**423,954,626**	496,454,219
Trade and other payables	**46,878,186**	33,662,199
Bank overdraft	**32,673,075**	29,299,276
Total liabilities	**503,505,887**	559,415,694

Prepayments amounting to **Rs 572,547** (2021: Rs 562,543) and indirect taxes of **Rs 2,144,082** (2021: Rs 1,952,591) have not been included in financial assets. Retirement benefits obligation of **Rs 6,112,000** (2021: Rs 4,369,000) and social securities and other taxes of **Rs 336,063** (2021: Rs Nil) have not been included in financial liabilities.

(b) Fair values of financial instruments

The management assessed that the fair values of trade and other receivables, cash and cash equivalents and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The carrying value of the leases, which bears interest at a fixed rate, is not significantly different from its fair value.

The carrying amount and the fair value of the Company's bank borrowings are given below:

	31 March 2022 Carrying value Rs	**31 March 2022 Fair value Rs**	31 March 2021 Carrying value Rs	31 March 2021 Fair value Rs
Bank borrowings	**234,365,604**	**223,531,872**	318,100,000	284,216,739

The fair value of the loan are determined by using the DCF method using a discount rate of **3.85%** (2021: 3.25%) that reflect the issuer's borrowing rate as at end of the reporting period.

At 31 March 2022, the Company did not have any assets or liabilities that were carried at fair value or were subject to revaluation.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Capital risk management

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

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

The Company monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' shown in the statement of financial position plus net debt. The gearing ratios at 31 March 2022 and 2021 were as follows:

	2022	2021
	Rs	Rs
Total borrowings	**423,954,626**	496,454,219
Less: Cash in hand and at bank	**(314,759)**	(64,946)
Add: Bank overdraft	**32,673,075**	29,299,276
Net debt	**456,312,942**	525,688,549
Total Equity	**(58,721,207)**	(88,158,426)
Total Capital	**397,591,735**	437,530,123
Gearing ratio	**115%**	120%

The decrease in the gearing ratio is mainly attributable to repayment of borrowings which has been partly mitigated by an increase in bank overdraft. As per the agreement with the bank, the debt/equity ratio of the Company should be maintained to at most 2:1.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is based on the invoiced value net of Value Added Tax and discounts and recognised at a point in time when control of the goods are transferred to the customer.

	2022	2021
	Rs	Rs
Revenue from customers:		
Flight catering	**62,499,000**	12,218,433
Outdoor catering	**7,164,558**	6,832,000
Lounge	-	64,000
	69,663,558	19,114,433

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

6 OPERATING LOSS

	2022 Rs	2021 Rs
The following items have been charged in arriving at the operating profit:		
Wage assistance scheme	**(18,967,196)**	(23,442,366)
Profit on disposal	-	(264,833)
Depreciation of property, plant and equipment (Note 11)		
- Owned assets	**18,288,508**	18,412,701
- Leased assets	-	508,986
Depreciation of right-of-use assets (Note 12)	**5,847,578**	5,847,578
Audit fees and fees for tax compliance services	**969,600**	839,000
Cost of inventories expensed (Note 13)	**43,763,439**	15,628,870
Staff costs (Note 7)	**43,892,717**	34,946,356
Transportation costs	**2,356,298**	1,811,690
Utilities	**7,445,694**	3,536,157
Repairs and maintenance	**6,123,100**	4,440,121
Consultancy fees	**2,644,462**	1,941,169
Bad debts written off	**3,169,433**	-

7 STAFF COSTS

	2022 Rs	2021 Rs
Wages and salaries	**41,033,383**	31,640,921
Social security costs	**1,922,334**	2,175,435
Retirement benefit expenses	**937,000**	1,130,000
	43,892,717	34,946,356

	Number	Number
Average number of employees	**155**	140

8 FINANCE COSTS

	2022 Rs	2021 Rs
(i) Income:		
Foreign exchange gains	**358,658**	579,905
	358,658	579,905
(ii) Costs:		
Interest on bank borrowings and bank overdraft	**(10,656,858)**	(11,254,301)
Interest and finance charges for lease liabilities (Note 19(b))	**(11,758,671)**	(11,595,789)
Foreign exchange losses	**(287,697)**	(191,569)
	(22,703,226)	(23,041,659)
Finance costs - Net	**(22,344,568)**	(22,461,754)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

9 TAXATION

The Company is liable to income tax at **15%** (2021 - 15%) and Corporate Social Responsibility tax of **2%** (2021 - 2%) on its chargeable income. At 31 March 2022, the Company had accumulated tax losses of **Rs 297,697,783** (2021 - Rs 137,389,908) and was therefore not liable to income tax.

A reconciliation between the actual tax charge of the Company and the theoretical amount that would arise using the applicable income tax rate of **17%** (2021 - 17%) follows:

	2022 Rs	2021 Rs
Loss before income tax	**(69,543,781)**	(70,142,790)
Tax at **17%** (2020- 17%)	**(11,822,443)**	(11,924,274)
Impact of:		
Deferred tax asset not recognised	**11,992,327**	4,941,018
Expenses not deductible for tax	**540,997**	-
Under provision in prior year	**(710,881)**	-
Tax loss utilised	-	6,983,256
Deferred tax assets recognised	-	1,693,104
Actual tax expense	-	1,693,104

The components of income tax for the years ended 31 March 2022 and 2021 are as follows:

Recognised in profit or loss

	2022 Rs	2021 Rs
Deferred tax expense (Note 10)	-	1,693,104

The tax losses are available for set off against future taxable profits as follows:

Up to year ending	**Tax losses Rs 2022**	Tax losses Rs 2021
31 March 2027	**21,157,742**	41,077,976
31 March 2028	**29,742,691**	-
Indefinite	**246,797,350**	96,311,932
Total	**297,697,783**	137,389,908

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

10 DEFERRED TAX

	2022 Rs	2021 Rs
At 01 April	**(19,606,855)**	(21,299,959)
Deferred tax expense recognised in profit or loss (Note 9)	-	1,693,104
At 31 March	**(19,606,855)**	(19,606,855)

At 31 March 2022, in accordance with the Company's accounting policy, a deferred tax asset of **Rs 19,606,855** (2021 – Rs 19,606,855) has been recognised as there is probability that future taxable profits will be available to utilise these accumulated tax losses.

The recognised deferred tax balance relates to the following:

	Statement of financial position		Statement of profit or loss and other comprehensive income	
	2022 Rs	2021 Rs	**2022 Rs**	2021 Rs
Tax loss utilised	**19,606,855**	19,606,855	-	1,168,944
Excess of depreciation over capital allowance	-	-	-	(2,862,048)
Deferred tax expense			-	(1,693,104)
Net deferred tax assets	**19,606,855**	19,606,855		

A deferred tax asset of **Rs 77,947,798** (2021 – Rs 68,124,724) has not been recognised as there is uncertainty that future taxable profits will be available to utilise these temporary differences.

The unrecognised deferred tax balance is attributable to the following:

	2022 Rs	2021 Rs
Tax loss unutilised	**30,959,535**	3,749,429
Exchange differences	**147,424**	147,424
Excess of depreciation over capital allowance	**38,399,684**	60,352,328
Retirement benefits obligations	**1,039,040**	742,730
Lease liabilities	**7,402,115**	3,132,813
	77,947,798	68,124,724

EIH FLIGHT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

10 DEFERRED TAX (CONTINUED)

The movement in unrecognised deferred tax assets is as follows:

	Tax loss unutilised	Exchange differences	Excess of depreciation over capital allowance	Retirement benefits costs	Lease liabilities	Total
	Rs	Rs	Rs	Rs		Rs
At 01 April 2020	-	147,424	54,326,205	621,350	1,548,167	56,643,146
Credit to income statement	(1,168,944)	-	2,862,048	-		1,693,104
Movement during the year	4,918,373	-	3,164,075	121,380	1,584,646	9,788,474
At 31 March 2021	3,749,429	147,424	60,352,328	742,730	3,132,813	68,124,724
Movement during the year	**27,210,106**	-	**(21,952,644)**	**296,310**	**4,269,302**	**9,823,074**
At 31 March 2022	**30,959,535**	**147,424**	**38,399,684**	**1,039,040**	**7,402,115**	**77,947,798**

EIH FLIGHT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT

	Buildings on leasehold land Rs	Furniture, fittings & other equipment Rs	Office equipment Rs	Motor vehicles Rs	Total Rs
Cost:					
At 01 April 2020	351,116,271	337,394,318	4,371,285	47,179,365	740,061,239
Disposal	-	-	-	(634,854)	(634,854)
At 31 March 2021	351,116,271	337,394,318	4,371,285	46,544,511	739,426,385
Additions	-	-	-	-	-
At 31 March 2022	**351,116,271**	**337,394,318**	**4,371,285**	**46,544,511**	**739,426,385**
Accumulated depreciation:					
At 01 April 2020	(112,320,164)	(272,437,563)	(4,327,828)	(46,382,097)	(435,467,652)
Charge for the year	(11,692,172)	(6,582,203)	(17,861)	(629,451)	(18,921,687)
Disposal	-	-	-	467,037	467,037
At 31 March 2021	(124,012,336)	(279,019,766)	(4,345,689)	(46,544,511)	(453,922,302)
Charge for the year	(**11,692,172**)	(**6,578,475**)	(**17,861**)	-	(**18,288,508**)
At 31 March 2022	(**135,704,508**)	(**285,598,241**)	(**4,363,550**)	(**46,544,511**)	(**472,210,810**)
Carrying value:					
At 31 March 2022	**215,411,763**	**51,796,077**	**7,735**	-	**267,215,575**
At 31 March 2021	227,103,935	58,374,552	25,596	-	285,504,083

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The buildings on leasehold land have been secured with a fixed charge against the borrowings of Rs 234,365,604 (2021: Rs 310,500,000) contracted from the State Bank of Mauritius Ltd. Details on borrowings are disclosed in Note 19.

Leased vehicles

	2022	2021
	Rs	Rs
Cost	-	10,429,743
Accumulated depreciation	-	(10,261,927)
Disposal at net book value	-	(167,816)
	-	-

Management has determined that the property, plant and equipment ("PPE") does not require any impairment given that the majority of its PPE is made up of buildings on leasehold land, the value of which is not expected to decrease significantly due to continual maintenance of the property and that the plant and machinery used by the Company are in good working conditions. Even though this is not a priority of management, any of the plant and machinery could easily be transferred to other companies within the group with minimal costs/losses being incurred by the Company.

12 RIGHT-OF-USE ASSETS

Leasehold land	**2022**	2021
	Rs	Rs
Balance at 01 April	**151,700,583**	157,548,161
Depreciation charge for the year	(**5,847,578**)	(5,847,578)
Balance at 31 March	**145,853,005**	151,700,583

There were no additions to right-of-use assets during the year. The lease liability has been included under borrowings (Note 19).

13 INVENTORIES

	2022	2021
	Rs	Rs
Food and beverage, at cost	**1,764,641**	2,066,503
Other consumables, at cost	**1,754,978**	2,177,689
	3,519,619	4,244,192

The cost of inventories recognised as expense and included in cost of sales amounted to **Rs 43,763,439** (2021 - Rs 15,628,870).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

14 TRADE AND OTHER RECEIVABLES

	2022	2021
	Rs	Rs
Trade receivables	**8,912,524**	8,513,300
Prepayments	**572,547**	562,543
Taxes receivable	**2,144,082**	1,952,591
Other receivables	**3,093,777**	3,477,175
	14,722,930	14,505,609

During the year under review, trade receivables amounting to **Rs 3,169,433** were written off as bad debts (2021: Nil). The other classes within trade and other receivables do not contain impaired assets.

Impairment and risk exposure

Information about the impairment of trade receivables and the Company's exposure to credit risk and foreign currency risk can be found in note 4.

15 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balance sheet amounts:

	2022	2021
	Rs	Rs
Cash in hand and at bank	**314,759**	64,946
Bank overdraft	(**32,673,075**)	(29,299,276)
	(**32,358,316**)	(29,234,330)

In 2016, the Company was granted an overdraft facility of Rs 25,000,000. The overdraft facility has been renewed until 30 June 2022, secured against the following:

- 1st rank floating charge for Rs 25,000,000 on all assets of the Company
- Corporate guarantee of Rs 25,000,000 given by the Company's shareholder.

During the year ended 31 March 2021, the overdraft facility was extended to Rs 32,500,000. As at reporting date, the bank overdraft bore interest of SBM PLR plus 2.25% per annum. The effective interest rate for the year under review was **6.50%** (2021: 6.50%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

16 SHARE CAPITAL

	2022 Number	2021 Number	2022 Rs	2021 Rs
Issued and fully paid:				
At 01 April	**69,044,006**	69,044,006	**690,440,060**	690,440,060
Issue of shares	**10,000,000**	-	**100,000,000**	-
At 31 March	**79,044,006**	69,044,006	**790,440,060**	690,440,060

The ordinary shares have been issued at Rs 10 each.

Rights and restrictions attached to ordinary shares:

(a) Each ordinary share shall entitle its holder to receive notice of, to attend and vote at any meeting of the Company.
(b) Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.
(c) Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the Company.

17 OTHER RESERVES

	2022 Rs	2021 Rs
At 01 April	**1,265,000**	849,000
Remeasurement of post-employment benefits obligations (Note 20(e))	**(1,019,000)**	416,000
At 31 March	**246,000**	1,265,000

Other reserves represent actuarial losses arising from the remeasurement of post-employment benefit obligations as at 31 March 2022, as disclosed in Note 20(e).

18 TRADE AND OTHER PAYABLES

	2022 Rs	2021 Rs
Trade payables	**28,178,034**	19,606,384
Accruals	**18,700,152**	14,055,815
Social security and other taxes	**336,063**	-
	47,214,249	33,662,199

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

19 BORROWINGS

	2022	2021
	Rs	Rs
Non-current:		
Bank borrowings (Note 19(a))	**165,000,000**	220,000,000
Lease liabilities (Note 19(b))	**173,115,037**	170,387,272
	338,115,037	390,387,272

	2022	2021
	Rs	Rs
Current:		
Bank borrowings (Note 19(a))	**69,365,604**	98,100,000
Lease liabilities (Note 19(b))	**16,473,985**	7,966,947
	85,839,589	106,066,947
Total borrowings	**423,954,626**	496,454,219

(a) Bank borrowings

	2022	2021
	Rs	Rs
Less than one year	**69,365,604**	98,100,000
Later than 1 year and no later than 5 years	**165,000,000**	220,000,000
	234,365,604	318,100,000
Current	**69,365,604**	98,100,000
Non-current	**165,000,000**	220,000,000
	234,365,604	318,100,000

The principal amount of Rs 233,750,000 is repayable as follows:
- 17 quarterly instalments of Rs 13,750,000, with last instalment falling due on 31 March 2026.

Per the loan agreement, the Company is entitled to a principal amount of loan of Rs 310,500,000 and a short term loan equivalent to Rs 7,600,000 or accrued interest on the principal amount of the loan, for the period from 01 April 2020 to 31 December 2020, whichever is lower. At 31 March 2021, the Rs 7,600,000 was capitalised as part of the principal amount of the loan. During the year under review, the Company repaid a total principal amount of Rs 84,350,000.

Interest is charged on daily balances at 1% below the SBM Prime Lending Rate of **4.85%** (2021 – 4.25%), with a minimum of 3.25% per annum.

Interest is payable on a monthly basis. During the year ended 31 March 2022, the Company incurred interest of **Rs 8,697,728** (2021 – Rs 10,246,500) on the bank borrowings.

19 BORROWINGS (CONTINUED)

The borrowings of **Rs 234,365,604** as at 31 March 2022 are secured as follows:

(a) Fixed charge on the building constructed on leasehold land.
(b) Floating charge on all assets of the Company.
(c) Assignment of the leasehold rights on the leasehold land.
(d) A corporate guarantee of **Rs 340,000,000** from EIH Limited.
(e) Letter of undertaking from EIH Limited to inject an amount of **Rs 287,200,000** as shareholder's equity by April 2022;

The fair value of borrowings is disclosed in note 4(b).

(b) Lease liabilities

	Leasehold land Rs	**Motor vehicles Rs**	**Total Rs**
At 01 April 2020	166,655,023	1,850,689	168,505,712
Interest expense	11,542,413	53,376	11,595,789
Payments	(561,249)	(1,186,033)	(1,747,282)
At 31 March 2021	177,636,187	718,032	178,354,219
Interest expense	**11,758,671**	-	**11,758,671**
Payments	-	(**523,868**)	(**523,868**)
	189,394,858	**194,164**	**189,589,022**

	2022 Rs	2021 Rs
Current	**16,473,985**	7,966,947
Non-current	**173,115,037**	170,387,272
	189,589,022	178,354,219

Lease arrangements for leasehold land relate to a land area where the operations of the Company are carried out. The Lease agreement covers a period of 20 years and may be renewed for two additional periods of ten years, subject to terms and conditions which may be agreed between the Lessor and the Lessee. The rent charge at the start of the lease in April 2007 was Rs 27.11 per square metre per month, over a total surface of 14,000 square metres, and is subject to an increase of 10% every 2 years. The rent charge was revised to Rs 48.02 per square metre as at April 2019. The lease is non-cancellable from the standpoint of the lessee.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

19 BORROWINGS (CONTINUED)

The statement of comprehensive income shows the following amounts relating to leases:

	2022	2021
	Rs	Rs
Depreciation charge of right-of-use assets (included in administrative expenses) (Note 12)	**5,847,578**	5,847,578
Interest on lease liabilities (included in finance costs) (Note 8)	**11,758,671**	11,595,789

The statement of cash flows show the following amounts relating to leases:

	2022	2021
	Rs	Rs
Total cash outflow for leases	**523,868**	1,747,282

20 RETIREMENT BENEFITS OBLIGATIONS

	2022	2021
	Rs	Rs
Non-current:		
Retirement benefits obligations	**6,112,000**	4,369,000
	============	============

The Company has recognised a net benefit liability of **Rs 6,112,000** (2021 - Rs 4,369,000) in its statement of financial position as at 31 March 2022 in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees under the Worker's Right Act 2019.

The Company is subject to an unfunded defined benefit plan for the employees. The plan exposes the Company to normal risks described below:

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by a decrease in inflationary pressures on salary increases.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

There has been no plan amendment, curtailment or settlement during the year.

(a) A reconciliation of net defined benefit liability follows:

	2022	2021
	Rs	Rs
At 01 April	**4,369,000**	3,655,000
Amount recognised in Profit or Loss	**937,000**	1,130,000
Amount recognised in Other Comprehensive Income	**1,019,000**	(416,000)
Employer contributions	**(213,000)**	-
	-----------	-----------
At 31 March	**6,112,000**	4,369,000
	===========	===========

EIH FLIGHT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

20 RETIREMENT BENEFITS OBLIGATIONS (CONTINUED)

(b) A reconciliation of fair value of plan assets follows:

	2022	2021
	Rs	Rs
At 01 April	-	-
Employer contributions	213,000	-
Benefits paid	(7,000)	-
At 31 March	**206,000**	-

(c) A reconciliation of present value of defined benefit obligation follows:

	2022	2021
	Rs	Rs
At 01 April	4,369,000	3,655,000
Current service cost	810,000	554,000
Interest expense	127,000	194,000
Past service cost	-	382,000
Other benefits paid	(7,000)	-
Liability experience loss/(gain)	292,000	(408,000)
Liability loss/(gain) due to change in financial assumptions	727,000	(8,000)
At 31 March	**6,318,000**	4,369,000

(d) Components of amount recognised in Profit or Loss:

	2022	2021
	Rs	Rs
Current service cost	810,000	554,000
Past service cost	-	382,000
	810,000	936,000
Net interest expense on net defined benefit liability	127,000	194,000
	937,000	1,130,000

(e) Components of amount recognised in Other Comprehensive Income:

	2022	2021
	Rs	Rs
Liability experience loss/(gain)	292,000	(408,000)
Liability loss/(gain) due to change in financial assumptions	727,000	(8,000)
	1,019,000	(416,000)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

20 RETIREMENT BENEFITS OBLIGATIONS (CONTINUED)

Principal assumptions used at end of the year:

	2022	2021
Discount rate	**4.5%**	2.9%
Rate of salary increases	**2.5%**	0.2%
Average retirement age	**65**	65

Sensitivity analysis on defined benefits obligations at end of the reporting period:

	2022 Rs	2021 Rs
Increase due to 1% decrease in discount rate	**1,305,000**	954,000
Decrease due to 1% increase in discount rate	**1,045,000**	755,000

The above sensitivity analysis has been carried out by recalculating the present value of the obligation at end of the period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future cash flows:

The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.

	2022 Rs	2021 Rs
Expected employer contribution for the next year	**1,347,000**	-
	============	============
Weighted average duration of the defined benefits obligations	**19 years**	20 years

21 CONTINGENT LIABILITIES

Bank guarantees

At 31 March 2022, there were contingent liabilities in respect of guarantees given in the ordinary course of business from which it is anticipated that no material liabilities will arise. At 31 March 2022, Expatriate Guarantee amounted to **Nil** (2021 - Nil), Govt Guarantee amounted to **Nil** (2021 – Nil) and Custom guarantee amounted to **Rs 5,000,000** (2021 – Rs 5,000,000).

22 INCORPORATION, REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The Company is incorporated in Mauritius under the Companies Act 2001 on 03 January 2007 as a private company with limited liability. The Company's registered office is at The Oberoi Mauritius, Baie aux Tortues, Pointe aux Piments, Mauritius. Its main business operations are opposite Airport Police Station, Plaine Magnien, Mauritius.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

23 RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of EIH Limited, a company incorporated in India. Oberoi Hotels Private Limited is a company in which key management personnel of immediate parent have significant influence.

The following transactions were carried out with related parties:

(a) Remuneration of key management personnel

	2022 Rs	2021 Rs
Salaries	**1,450,000**	1,586,592
Other short term employee benefits	**384,000**	520,000
	1,834,000	2,106,592

Key management personnel include the General Manager, Chief Accountant and Deputy Operations Manager.

(b) Fees paid to management entity of the Company

	2022 Rs	2021 Rs
Ocorian Corporate Administrators Limited		
Fees paid during the year	**1,278,854**	687,309

(c) Directors' fees

The Directors, being the representatives of the holding company, are not entitled to any fees as the Company does not have a remuneration policy in place for its Directors, except for Mrs Risha Ranlaul-Sookun who is a representative of Ocorian Corporate Administrators Limited ('Ocorian'). Ocorian is paid a fee for procurement of Director, company secretarial services and accounting services provided to the Company.

24 IMMEDIATE AND ULTIMATE PARENT

The directors consider EIH Limited, a company incorporated in India, as its immediate and ultimate parent.

25 NOTES TO STATEMENT OF CASH FLOWS

Net debt reconciliation

The table below details changes in the Company's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

25 NOTES TO STATEMENT OF CASH FLOWS (CONTINUED)

Net debt reconciliation (Continued)

	01 April 2021 Rs	**Cash changes** Cash flows Rs	Interest paid Rs	**Non-cash changes** Interest expense Rs	31 March 2022 Rs
Net bank overdraft	**29,234,330**	**3,123,986**	**(1,959,130)**	**1,959,130**	**32,358,316**
Liabilities arising from financing activities:					
Bank borrowings	**318,100,000**	**(84,350,000)**	**(8,082,124)**	**8,697,728**	**234,365,604**
Lease liability	**178,354,219**	**(523,868)**	-	**11,758,671**	**189,589,022**
	525,688,549	**(81,749,882)**	**(10,041,254)**	**22,415,529**	**456,312,942**

	01 April 2020 Rs	**Cash changes** Cash flows Rs	Interest paid Rs	**Non-cash changes** Interest expense Rs	31 March 2021 Rs
Net bank overdraft	4,350,301	24,884,029	(1,007,801)	1,007,801	29,234,330
Liabilities arising from financing activities:					
Bank borrowings	310,500,000	7,600,000	(10,246,500)	10,246,500	318,100,000
Lease liability	168,505,712	(1,693,906)	(53,376)	11,595,789	178,354,219
	483,356,013	30,790,123	(11,307,677)	22,850,090	525,688,549

26 EVENTS AFTER REPORTING DATE

There are no material events after the reporting date which requires amendments to or additional disclosures in the financial statements for the year ended 31 March 2022.