B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To The Members of Travel Corporation (India) Limited

Report on the Audit of the Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements of Travel Corporation (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of profit and loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to the 'the financial statement').

Management's responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

Independent Auditor's Report *(Continued)*

Travel Corporation (India) Limited

Auditor's responsibility *(Continued)*

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

Independent Auditor's Report *(Continued)*

Travel Corporation (India) Limited

Report on other legal and regulatory requirements ***(Continued)***

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements-Refer Note 39 to the standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
10 May 2018

Travel Corporation (India) Limited

Annexure – A to the Independent Auditor's Report – 31 March 2018

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of the Company on the Standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has performed physical verification of certain fixed assets during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company is a service company primarily rendering services of travel and related service. Accordingly, the Company does not hold physical inventory. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has granted unsecured loan to two companies covered in the register maintained under Section 189 of the Act.

(a) In our opinion, the rate of interest and other terms and conditions on which the loan was granted is not, prima facie, prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated, and the party has repaid the principal amount, as stipulated, and was also regular in payment of interest as applicable.

c) No amount is overdue as at the balance sheet day.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loan and investments made and guarantees given by it. The Company has not granted any loan or given any guarantee or security to the parties covered under section 185 of the Companies Act, 2013 and accordingly, to this extent, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.

Travel Corporation (India) Limited

Annexure – A to the Independent Auditor's Report – 31 March 2018 *(Continued)*

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts accrued/deducted in the booksof account in respect of undisputed statutory dues including Provident fund, Employee's State Insurance, Income- tax, Service tax, Goods & Service tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, duty of Custom, duty of Excise and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income-tax, Service tax, Goods & Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) Details of dues of Income tax, Service tax which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount Demanded	Amount Deposited Under Dispute	Period to which Amount Relates	Forum where dispute is pending
Income Tax Act,1961	Income tax	104,941,764	-	AY 1995-1996 to AY 1996-1997 & AY 1999-2000 to AY 2006-2007	Income tax appellate tribunal
Income Tax Act,1961	Income tax	79,741,096	-	AY 1997-1998 & AY 1998-1999	High Court
Income Tax Act,1961	Income tax	4,213,901	-	AY 1996-1997 & AY 2003-2004 to AY 2006-2007 & AY 2008-2009 to 2015-16	Commissioner of Income Tax – Appeal
Income Tax Act,1961	Income tax	143,974	-	AY 2002-2003	Deputy Commissioner Income Tax
Income Tax Act,1961	Income tax	12,066,049	-	AY 2007-2008	A.O.
The Finance Act, 1994	Service Tax	527,339	-	AY 2003-2007	Assistant Commissioner-Service Tax

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to the banks and financial institutions. The Company did not have any outstanding dues to Government or debenture holders during the year.

(ix) The term loans were applied for the purpose they were raised for the year. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

Travel Corporation (India) Limited

Annexure – A to the Independent Auditor's Report – 31 March 2018 *(Continued)*

(x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanation given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
10 May 2018

Travel Corporation (India) Limited

Annexure – B to the Independent Auditor's Report – 31 March 2018

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of Travel Corporation (India) Limited ("the Company") as at 31 March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Travel Corporation (India) Limited

Annexure – B to the Independent Auditor's Report – 31 March 2018 *(Continued)*

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
10 May 2018

Travel Corporation (India) Limited

Standalone balance sheet

as at 31 March 2018
(Currency : Indian rupees)

		Note	31 March 2018	31 March 2017
I.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	2	**368,428,510**	295,912,843
	(b) Capital work-in-progress	2	**-**	2,645,000
	(c) Investment property	3	**269,492,498**	277,197,389
	(d) Other intangible assets	4	**8,219,204**	9,926,526
	(e) Financial assets			
	(i) Invesments in subsidiaries and associates	5	**2,297,174,037**	1,507,067,908
	(ii) Others non-current financials assets	6	**61,269,697**	64,426,847
	(f) Deferred tax assets (net)	7	**-**	75,782,875
	(g) Other tax assets	8	**371,366,432**	182,191,396
	(h) Other non-current assets	9	**1,731,902**	6,614,736
	Total non current assets		**3,377,682,280**	2,421,765,520
(2)	**Current assets**			
	(a) Financial assets			
	(i) Investments	10	**300,194,416**	-
	(ii) Trade receivables	11	**477,057,316**	1,212,082,162
	(iii) Cash and cash equivalents	12	**657,291,324**	759,451,096
	(iv) Other current financial assets	13	**63,711,029**	13,145,706
	(v) Derivative assets	14	**-**	47,394,973
	(b) Other current assets	15	**1,337,133,387**	812,425,948
	Total current assets		**2,835,387,472**	2,844,499,885
	TOTAL ASSETS		**6,213,069,752**	5,266,265,405
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	(a) Equity share capital	16	**16,499,310**	16,499,310
	(b) Instruments entirely equity in nature	16	**2,637,092,640**	-
	(c) Share Capital Suspense	16	**-**	2,637,092,640
	(d) Other equity			
	(i) Reserves and surplus		**2,135,371,296**	1,821,659,676
	(ii) Other reserves	17	**(2,696,482,194)**	(2,696,482,194)
	(iii) Other comprehensive income		**3,376,394**	8,428,699
	Total equity		**2,095,857,446**	1,787,198,130
(2)	**Non current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	18	**490,000,000**	330,000,000
	(b) Provisions	19	**3,265,642**	-
	(c) Deferred tax liabilities (net)	7	**69,613**	-
	Total non current liabilities		**493,335,255**	330,000,000
(3)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	20	**2,867,631,344**	2,767,043,774
	(ii) Other financial liabilities	21	**472,585,324**	173,236,142
	(iii)Derivative liabilities	22	**24,016,347**	-
	(b) Other current liabilities	23	**254,307,001**	204,637,731
	(c) Short-term provisions	24	**5,337,035**	4,149,628
	Total current liabilities		**3,623,877,051**	3,149,067,275
	Total liabilities		**4,117,212,306**	3,479,067,275
	TOTAL EQUITY AND LIABILITIES		**6,213,069,752**	5,266,265,405

Significant accounting policies
The notes from 1 to 44 form an integral part of the financial statements
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H.Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

New Delhi
10 May 2018

For and on behalf of the Board of Directors of Travel Corporation (India) Limited
[CIN: U63040MH1961PLC012067]

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

New Delhi
10 May 2018

Rverma

Ritu Verma
Company Secretary

New Delhi
10 May 2018

Travel Corporation (India) Limited

Statement of profit and loss

for the year ended 31 March 2018

(Currency : Indian rupees)

		Note	For the year ended 31 March 2018	For the year ended 31 March 2017
(1)	**Revenue**			
	(a) Revenue from operations	25	**6,217,606,449**	12,139,597,244
	(b) Other income	26	**391,747,910**	415,925,219
	Total income		**6,609,354,359**	12,555,522,463
(2)	**Expenses**			
	(a) Cost of tours	27	**5,165,176,350**	10,507,996,949
	(b) Changes in inventories	28	**-**	3,549,491
	(c) Employee benefits expense	29	**493,961,640**	680,522,526
	(d) Finance costs	30	**79,280,469**	75,537,733
	(e) Depreciation and amortization expenses	2	**62,718,575**	68,349,086
	(f) Other expenses	31	**381,944,548**	553,770,331
	Total expenses		**6,183,081,582**	11,889,726,116
(3)	**Profit before tax & Exceptional Items**		**426,272,777**	665,796,347
(4)	**Exceptional item - Loss on slump exchange**		**-**	63,804,234
(5)	**Profit before tax**		**426,272,777**	601,992,113
(6)	**Tax expense:**			
	(a) Current tax	7	**88,428,551**	191,606,725
	(b) Deferred tax	7	**78,348,034**	73,986,790
(7)	**Profit after tax**		**259,496,192**	336,398,598
(8)	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of defined benefit plan		**(7,547,851)**	12,093,670
	(ii) Income tax expense on remeasurement benefit of defined benefit plans		**2,495,546**	(3,993,656)
	Other comprehensive income (net of tax) (i-ii)		**(5,052,305)**	8,100,014
(9)	**Total comprehensive income for the period**		**254,443,887**	344,498,612
(10)	**Earnings per equity share**			
	(i) Basic	32	**157.28**	203.89
	(ii) Diluted	32	**0.98**	1.27

Significant accounting policies

The notes from 1 to 44 form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

New Delhi
10 May 2018

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN:U63040MH1961PLC012067]

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

New Delhi
10 May 2018

New Delhi
10 May 2018

Travel Corporation India Limited

Statement of cash flows
for the year ended 31 March 2018

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from operating activities		
Profit before tax and after exceptional items	**426,272,777**	601,992,113
Adjustments for:		
Exceptional item: Loss on slump exchange	-	63,804,234
Depreciation of property, plant and equipment	**57,468,150**	56,777,710
Amortisation of intangible assets	**5,250,424**	11,571,378
Gain on sale of property, plant and equipment	**(4,753,081)**	(27,549,411)
Unclaimed credit balances no longer required, written back	**(11,637,221)**	(42,105,565)
Excess provision no longer requried, written back	**(237,844,171)**	(4,217,845)
Bad debts and advances written off	-	161,845
Net foreign exchange differences	**66,719,348**	12,283,634
Equity-settled share-based payment	**24,620,270**	8,244,979
Dividend on equity shares - subsidiary	**(29,654,474)**	-
Finance costs (including fair value change in financial instruments)	**69,210,379**	68,966,772
Provision for doubtful debts and advances	**135,595**	35,731,183
Facility support income	**(48,350,472)**	(34,854,968)
Interest income	**(11,312,443)**	(22,926,315)
Gain on sale of investment	**(7,854,208)**	(22,067,579)
	298,270,874	705,812,164
Working capitaladjustments		
Decrease in inventories	-	2,597,090
Decrease/(Increase) in trade and other receivables	**698,235,789**	(1,030,398,300)
(Increase) in other assets	**(521,994,761)**	(506,203,614)
(Increase) in Loans & Advances	-	(820,317,845)
Increase in trade & other payables, other financial liabilities and current liabilities	**392,220,068**	2,429,234,916
Increase in provisions and employee benefits	**9,175,599**	122,759,847
	875,907,569	903,484,259
Income tax paid	**(277,603,587)**	(139,180,499)
Net cash flows from operating activities	**598,303,982**	764,303,760
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(97,212,332)**	(38,567,689)
Addition of capital work in Progress	-	(2,645,000)
Acquisition of financial instruments	**(10,561,200,000)**	(2,680,000,000)
Proceeds from sale of financial instruments	**10,268,859,792**	3,934,449,215
Acquisition of long term investments	**(790,106,129)**	(999,969,159)
Proceeds from sale of property, plant and equipment	**8,476,605**	32,711,173
Inter-Corporate deposit given	**(7,600,000)**	-
Interest received	**9,547,457**	20,696,954
Dividend income from subsidiary	**29,654,474**	-
Facility support income	**48,350,472**	34,854,968
Net cash flows (used in)/ from investing activities	**(1,091,229,661)**	301,530,462

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011 India.
Chartered Accountants

Travel Corporation India Limited

Statement of cash flows *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from financing activities		
Proceeds from loans and borrowings	**160,000,000**	-
Proceeds from loan from related party	**820,000,000**	-
Repayment of borrowings	**(476,666,667)**	(120,000,000)
Repayment of loan from related party	**(30,000,000)**	-
Inter-Corporate Deposit taken (Net)	-	7,021,124
Finance charges paid	**(59,211,041)**	(70,025,093)
Net cash flows from/ (used in) Financing Activities	**414,122,292**	(183,003,969)
Net (decrease)/ increase in cash and cash equivalents	**(78,803,387)**	819,026,019
Cash and cash equivalents at the beginning of the year	**731,200,313**	1,195,720,305
Cash and cash equivalents acquired on account of Composite Scheme of Arrangement & Amalgamation	-	67,078,439
Effect of exchange rate changes on cash and cash equivalents	**4,894,398**	(6,058,455)
Cash and cash equivalents transferred through slump sale (Refer Note 41)	-	(1,344,565,995)
Cash and cash equivalents at the end of the year	**657,291,324**	731,200,313

Note:

(b) Components of cash and cash equivalents

Cash on hand	**9,860,101**	17,537,532
Cheque in hand	-	35,609
Balances with scheduled banks		
-- Current Account	**285,081,974**	720,050,775
-- Deposit Account (with original maturity of 3 months or less)	**362,349,249**	21,827,180
Less: Book overdraft	-	28,250,783
	657,291,324	731,200,313

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) 7- " Cash Flow Statements".

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

New Delhi
10 May 2018

For and on behalf of the Board of Directors of Travel Corporation (India)
[CIN: U63040MH1961PLC012067]

Dipak Deva
Managing Director
[DIN: 02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

New Delhi
10 May 2018

New Delhi
10 May 2018

Travel Corporation (India) Limited

Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2018

(Currency : Indian rupees)

(a) Equity share capital

	31 March 2018		31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	1,649,931	16,499,310	2,165,395	21,653,950
Changes in equity share capital during the year [refer Note 16]	-	-	(515,464)	(5,154,640)
At the end of the year	**1,649,931**	**16,499,310**	**1,649,931**	**16,499,310**

(b) Other equity

Particulars	Other equity Reserves and surplus Surplus	 Employee share option outstanding[Note 44]	 Other reserves [refer Note 17]	Items of Other comprehensive income Remeasurements of the net defined benefit Plans	Total attributable to equity shareholders
Balance at 1st April 2016	444,335,457	4,006,929	1,219,900,142	(592,430)	1,667,650,098
Capital Reserve (Refer Note 41)					-
Reserves transferred pursuant to Composite Scheme of Arrangement and Amalgamation (refer Note 41)	964,869,478	-	(3,852,578,102)	921,115	(2,886,787,509)
Transfer from General reserve (refer Note 17)	63,804,234		(63,804,234)		-
Profit for the year	336,398,598	-	-	-	336,398,598
Other comprehensive income for the year	-	-	-	8,100,014	8,100,014
Share-based payments		8,244,979			8,244,979
Balance at 1 April 2017	**1,809,407,767**	**12,251,908**	**(2,696,482,194)**	**8,428,699**	**(866,393,821)**
Profit for the year	**259,496,192**	-	-	-	**259,496,192**
Other comprehensive income for the year	-	-	-	**(5,052,305)**	**(5,052,305)**
Total comprehensive income for the year	**259,496,192**	-	-	**(5,052,305)**	**254,443,887**
Adjustment of rationalisation of useful life of asset on account of merger	**29,595,160**				**29,595,160**
Share-based payments [Note 44]		**24,620,270**	-	-	**24,620,270**
Balance at 31 March 2018	**2,098,499,118**	**36,872,178**	**(2,696,482,194)**	**3,376,394**	**(557,734,504)**

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Travel Corporation (India) Limited

Statement of Changes in Equity (SOCIE) *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

<u>Nature and purpose of reserves</u>

i. Share options outstanding account

The holding Company has established an equity-settled share-based payment plans for certain categories of employees of the Company. The shares of the holding Company are issued under the ESOP Scheme to the employees of the company.

Significant accounting policies

The notes from 1 to 44 form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

New Delhi
10 May 2018

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH1961PLC012067]

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

New Delhi
10 May 2018

New Delhi
10 May 2018

1 Company overview

Travel Corporation (India) Limited is engaged in Travel and Tourism business and working as Travel agent and Tour operator. The Company mainly operates in Inbound Tours. The Company is held by Thomas Cook (India) Limited (95.56 %) and Sterling Holiday Resorts Limited (erstwhile Thomas Cook Insurance Services (India) Ltd) (4.44%).

1B Significant accounting policies

1B.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The financial statements were authorized for issue by the Company's Board of Directors on 10th May 2018

The financial statements are presented in Indian Rupees ('INR') or ('Rs') which is also the company's functional currency.

As per the Notification No. G.S.R. 742 (E) dated 27 July 2016, the company has availed exemption from preparing the Consolidated Financial Statement under Rules 6 of the Companies (Accounts) Rules 2014.

1B.2 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS required the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of facts and circumstances as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

IB Significant accounting policies *(Continued)*

1B.2 Use of estimates (Continued)

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes

Note 33-Determining the amount of expected credit loss on financial assets (including trade receivables)

Note 38-Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statement is included in the following notes:

Note 2, 3 and 4- Estimate of useful life used for the purposes of depreciation and amortization on property plant and equipment, investment property and intangible assets;

Note 37- Measurement of defined benefit obligations: key actuarial assumptions;

Note 6-Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Note 33-Impairment of financial assets

1B.3 Current / non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realized within 12 months after the reporting date; or

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1B Significant accounting policies *(Continued)*

1B.3 Current / non-current classification (Continued)

Assets (Continued)

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

1B.4 Property Plant and Equipments

Measurement at recognition:

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized 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. All other repairs and maintenance is charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation:

Depreciation is provided pro-rata to the period of use, under the straight line method, over the estimated useful lives of the assets. The Company believe that the existing useful life represents the best useful estimated lives of the assets and are at the rates which corresponds to the the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

1B Significant accounting policies *(Continued)*

1B.4 Property Plant and Equipments (Continued)

Assets	Estimated useful life (in years)
Office Building	60
Furniture & Fixtures	10
Office equipments (including air conditioners)	5
Vehicles	8
Computers	3
Computer Servers/Network	6

Leasehold Improvements are amortized over the period of the lease or useful life of the asset whichever is lower.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. 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 immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

1B.5 Intangible assets

Measurement at recognition:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it

1B Significant accounting policies *(Continued)*

1B.5 Intangible assets (Continued)

- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Amortisation:

Amortisation methods and periods:

Asset	Useful Life
Software	4 years

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

1B.6 Investment Property

Measurement at recognition:

Investment Property is property held either to earn rental income or for capital appreciation or for both, but not for sale in ordinary course of business, use in supply of services or for administrative purpose. An investment property is measured initially at its cost. The cost of an investment property comprises its purchase price and any directly attributable expenditure. After initial recognition, the Company carries the investment property at the cost less accumulated depreciation and accumulated impairment, if any.

Depreciation:

Based on technical evaluation and consequent advice, the management believes a period of 60 years representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over the period of 60 years on a straight-line basis. The useful life estimate of 60 years is as per the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II of the Companies Act, 2013.

Any gain or loss on disposal of an investment property is recognized in profit or loss.

1B Significant accounting policies *(Continued)*

1B.6 Investment Property (Continued)

Fair Value:

Fair value of investment property is based on a valuation by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Note 3.

1B.7 Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

1B.8 Fair value measurement

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

- In the principle market for the asset or liability, or
- In the absence of a particular market, in the most advantageous market for the asset or liability

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1B Significant accounting policies *(Continued)*

1B.8 Fair value measurement (Continued)

The principle or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above.

1B.9 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.

i. Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

i. Financial assets *(Continued)*

Initial recognition and measurement , a financial asset is classified as measured at

- Amortized Cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

a. Equity investment

The Company subsequently measures all equity investments in companies other than equity investments in subsidiaries, joint ventures and associates at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Subsequent measurement

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

De-recognition

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

- 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.

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1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

i. Financial assets *(Continued)*

- 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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., bank balance, deposits and loans

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

ii. Financial liabilities

Classification

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

A financial liability is derecognized 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 recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1B.10 Revenue recognition

Sales from inbound services are recognized on the date of arrival of the tour in India. Commission income (net) from airlines, hotel and other travel services such as, optional tours etc are recognized at the time of providing the service.

Annual shopping commission revenue is recognized over the period of the contract. Revenue recognized in excess of billing is recorded as unbilled revenue. Billing in excess of revenue recognized is recorded as income received in advance / advance billing, until revenue recognition criteria are met.

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1B Significant accounting policies *(Continued)*

1B.10 Revenue recognition

Interest income is recognized on time proportionate basis.

Facility support income is recognized on accrual basis over the period of the agreement.

Dividend income is recognized when the right to receive dividend is established.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investment disposed off.

1B.11 Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in Cost of tour, employee benefit expenses, depreciation and amortization and other operating expenses. Cost of tour include guide cost, accommodation cost, transport cost etc. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include recruitment and training expenses, travelling and conveyance, legal and professional fees.

1B.12 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

1B.13 Employee benefits

(a) Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, e.g. salaries, short term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount can be estimated reliably.

(b) Post-employment benefits

Defined contribution plan

The Company's provident fund contribution paid / payable under the recognized provident fund scheme and the employees' state insurance contribution is recognized as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

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1B Significant accounting policies *(Continued)*

1B.13 Employee benefits (Continued)

(b) Post-employment benefits (Continued)

Defined benefit plan

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. The benefits are discounted to determine its present value.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation by an independent actuary at each balance sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligations under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset) taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit and loss.

Provident Fund

The Company makes specified monthly contribution towards the employees' provident fund to the provident fund trust administered by the Company. The minimum interest payable by the provident fund trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on respective investments of the trust and the notified interest rate.

(c) Compensated absences

The accrual for unutilized leave balance is determined for the entire available leave balance standing to the credit of the employees at period-end. The leave balance eligible for carry – forward is valued at gross compensation cost.

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1B Significant accounting policies *(Continued)*

1B.13 Employee benefits (Continued)

(d) Share based payments

The grant-date fair value of share-based payment awards – i.e. stock options – granted to employees is recognized as personnel expenses, with a corresponding increase in equity, over the period in which the employees become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

1B.14 Foreign currency transactions

Foreign currency transactions are recorded into Indian rupees using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates prevailing on the balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited / charged to the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of the transactions. Non-monetary foreign currency items are carried at historical cost. A foreign currency monetary item is classified as long-term if it has original maturity of one year or more.

1B.15 Taxation

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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1B Significant accounting policies *(Continued)*

1B.15 Taxation (Continued)

Deferred tax

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company's is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company's expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognized. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognized.

1B.16 Earnings per share ('EPS')

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

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1B Significant accounting policies *(Continued)*

1B.17 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognized as an expense in line with the contractual term.

1B.18 Provisions and Contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed, unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

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1B Significant accounting policies *(Continued)*

1B.19 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115	Revenue from Contracts with customers

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18- Revenue, Ind AS 11- Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company is evaluating the impact of this amendment on its financial statements.

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Notes to the financial statements *(Continued)*
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(Currency : Indian rupees)

2 Property, plant and equipment

	Owned assets					Total
	Computer hardware	Office building	Furniture and fixtures	Vehicles	Office equipment	
Gross carrying value as of 1 April 2016	6,822,479	470,900,156	73,604,288	1,807,106	31,276,712	584,410,740
Additions pursuant to the composite scheme of Arrangement and Amalgamation	34,249,146	-	36,384,186	55,709,530	12,427,475	84,790,711
Additions during the year	7,275,086	-	9,059,034	17,365,280	2,346,436	26,251,093
Offset on reclassification of building as investment property	-	282,925,898	-	-	-	282,925,898
Disposals during the year	22,028,629	3,221,559	37,176,919	29,942,662	9,847,974	31,408,760
Gross carrying value as of 31 March 2017	**26,318,083**	**184,752,699**	**81,870,589**	**44,939,254**	**36,202,649**	**381,117,886**
Additions during the year	8,763,989	-	47,144,992	38,277,969	2,127,285	96,314,235
Disposals during the year	12,994	545,889	14,560	14,980,502	3,890,478	19,444,422
Gross carrying value as of 31 March 2018	**35,069,077**	**184,206,810**	**129,001,022**	**68,236,721**	**34,439,456**	**457,987,700**
Accumulated depreciation as of 1 April 2016	2,407,931	4,212,248	5,875,898	368,126	20,001,093	32,865,296
Accumulated depreciation pursuant to composite scheme of Arrangement and Amalgamation	17,345,421	-	16,019,884	20,625,581	3,749,548	28,209,581
Depreciation charge during the year	8,507,922	3,342,687	16,174,335	18,940,159	5,106,615	52,070,035
Disposals	10,744,453	202,693	20,179,021	29,830,070	2,529,947	26,919,036
Offset on reclassification of building as investment property	-	1,020,833	-	-	-	1,020,833
Closing accumulated depreciation as of 31 March 2017	**17,516,821**	**6,331,409**	**17,891,096**	**10,103,796**	**26,327,309**	**85,205,043**
Depreciation charge during the year	9,105,352	290,983	22,976,232	13,259,999	4,130,694	49,763,260
Disposals	12,994	26,751	411	11,870,412	3,810,329	15,720,897
Adjustment in Retained Earning	8,726,288	-	778,674	18,086,474	2,096,780	29,688,216
Closing accumulated depreciation as of 31 March 2018	**17,882,891**	**6,595,641**	**40,088,243**	**(6,593,091)**	**24,550,894**	**89,559,190**
Carrying value as of 31 March 2017	**8,801,262**	**178,421,290**	**63,979,493**	**34,835,458**	**9,875,340**	**295,912,843**
Carrying value as of 31 March 2018	**17,186,186**	**177,611,169**	**88,912,779**	**74,829,812**	**9,888,562**	**368,428,510**

As on 31 March 2018, the Company had contractual commitments of Rs. NIL (31 March 2017 : NIL) for purchase of property, plant and equipment

2 Capital work-in-progress

As at 1 April 2016	-
Additions during the year	2,645,000
Assets capitalised during the year	-
As at 31 March 2017	2,645,000
Assets capitalised during the year	2,645,000
As at 31 March 2018	-

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3 Investment property

Gross carrying value as of 1 April 2016	-
Transfer from property, plant and equipment	282,925,898
Gross carrying value as of 31 March 2017	282,925,898
Transfer from property, plant and equipment	-
Gross carrying value as of 31 March 2018	**282,925,898**
Accumulated depreciation as of 1 April 2016	-
Accumulated depreciation transfer from property, plant and equipment	1,020,834
Depreciation charge during the year	4,707,675
Closing accumulated depreciation as of 31 March 2017	5,728,509
Depreciation charge during the year	7,704,891
Closing accumulated depreciation as of 31 March 2018	**13,433,400**
Carrying value as of 31 March 2017	277,197,389
Carrying value as of 31 March 2018	**269,492,498**

Total fair value of Investment Property is Rs. 916,768,000 (31 March 2017: 916,768,000)

Fair value heirarchy:

Total fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categoried as a level 3 fair value based on the inputs to the valuation techniques used.

Description of valuation technique used:

The Company obtains Independent Valuations of its investment property as at the year end. The fair value of the investment property have been derived using the Mumbai Municipal Ready Reckoner Rates as on reporting date. The Independent valuer has also compared the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

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Notes to the financial statements *(Continued)*
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4 Intangible Assets

PARTICULARS	Computer Software
Gross carrying value as of 1 April 2016	11,426,437
Additions pursuant to the composite scheme of Arrangement and Amalgamation	52,923,181
Additions during the year	2,521,852
Disposals during the year	39,418,579
Gross carrying value as of 31 March 2017	**27,452,891**
Additions during the year	3,543,102
Disposals during the year	-
Gross carrying value as of 31 March 2018	**30,995,993**
Accumulated depreciation as of 1 April 2016	4,703,347
Additions pursuant to the composite scheme of Arrangement and Amalgamation	16,696,008
Depreciation charge during the year	11,569,693
Disposals during the year	15,442,683
Closing accumulated depreciation as of 31 March 2017	**17,526,365**
Depreciation charge during the year	5,250,424
Closing accumulated depreciation as of 31 March 2018	**22,776,789**
Carrying value as of 31 March 2017	**9,926,526**
Carrying value as of 31 March 2018	**8,219,204**

Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*

as at 31 March 2018

(Currency : Indian rupees)

		31 March 2018	31 March 2017
5	**Investments in subsidiaries and associates**		
I.A	**I. Investments in equity instruments**		
	Unquoted investments *		
	Investment in subsidiaries:		
	50,000 (31 March 2017: 50,000) Equity shares of Rs.10 each fully paid-up of TC Visa Services (India) Limited	**500,000**	500,000
	59,523,801 (31 March 2017: 59,523,801) Ordinary shares of HKD 1 each fully paid-up of Travel Circle International Services Limited (Formerly known as Kuoni Travel (China) Limited)	**501,398,729**	501,398,729
	Nil (31 March 2017: 1) Ordinary shares of SGD 1 each fully paid-up of Horizon Travel Holdings (Singapore) Private Limited	-	46
	Investment in an associate:		
	20,25,000 (31 March 2017: Nil) Equity shares of USD 1 each,Fully paid up, of travel Circle International Mauritius Limited	**130,723,875**	-
	Investment in wholly owned subisidiary:		
	14,248 (31 March 2017: 14,248) equity shares of Nepali Rs 100, fully paid up, of SITA World Travel (Nepal) Private Limited (of these 3,720 equitey shares were allotted as fully paid bonus shares)	**4,251,955**	4,251,955
	190,000 (31 March 2017: 190,000) equity shares of Sri Lankan Rs 10, fully paid up, of SITA World Travel Lanka (Pvt.) Limited (of these 40,000 equitey shares were allotted for consideration other than cash)	**917,178**	917,178
	975,000 (31 March 2017: Nil) Equity shares of USD 1 each,fully paid up ,of Horizon Travel Services LLC	**62,907,000**	-
	1,000,000 (31 March 2017: Nil) Equity Shares of Rs. 10 Each, Fully Paid up, of Jardin Travel Solutions Limited	**10,000,000**	-
	Investment in Joint Venture:		
	980,000 (31 March 2017: Nil) Equity shares of Rs. 10 each,Fully paid up, of TCI Go Vacation india Private Limited.	**9,800,000**	-
	II. Investments in Preference instruments		
	Investment in an associate:		
	40,00,000 (31 March 2017: Nil) 6% Optionally Convertible Preference share of USD 1 each, Fully paid up, of travel Circle International Mauritius Limited	**259,710,250**	-
	49,10,000 (31 March 2017: Nil) 6% Optionally Convertible Preference share of USD 1 each, Fully paid up, of travel Circle International Mauritius Limited	**316,965,050**	-
	100,000,000 (31 March 2017: Nil) 0.01% Optionally Convertible Preference share of Rs 10 each of SOTC Travel Limited (formerly SOTC Travel Private Limited) [refer Note 41]	**1,000,000,000**	1,000,000,000
	*** Carried at cost**		
		2,297,174,037	1,507,067,908
	Aggregate amount of unquoted investments	**2,297,174,037**	1,507,067,908

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	31 March 2018	31 March 2017
6 Other non-current financial assets		
(Unsecured, considered good unless otherwise stated)		
To related parties		
Inter-Corporate Deposit (ICD) (refer Note below)	**17,199,719**	9,639,544
Security deposits*		
Considered Good	**44,069,978**	54,787,303
Considered Doubtful	**7,029,320**	7,029,320
	51,099,298	61,816,623
Less : Provision for doubtful deposits	**(7,029,320)**	(7,029,320)
	44,069,978	54,787,303
	61,269,697	64,426,847

* Financial asset carried at amortised cost

Note-Pertains to an unsecured USD denominated Inter-Corporate Deposit given to Sita World Travel Lanka (Pvt) Limited (a associate) & INR Denominated Inter-Corporate Deposit given to Jardin Travel Solutions Ltd (Wholly Owend subsidary) of the Company to meet its capital expenditure and working capital requirements carrying interest at 11% & 8.95 % respectively [31 March 2017 : 9,639,544(Sita World Travel Lanka (Pvt) Limited) & Nil (Jardin Travel Solutions Ltd)]. The ICD is payable over three annual installments commencing from 31 December 2018 or as mutually agreed between the parties. The interest is payable along with re-payment of installments.

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Notes to the financial statements *(Continued)*
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(Currency : Indian rupees)

7 Income taxes

	For the year ended 31 March 2018	For the year ended 31 March 2017
A. The major component of Income tax expenses are as under:		
(i) Income tax recognised in Statement of profit and loss		
Current tax		
In respect of current year	**88,428,551**	191,606,725
Deferred tax		
In respect of current year	**78,348,034**	73,986,790
Income Tax expense recognised in Statement of profit and loss	**166,776,585**	265,593,515
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	**(2,495,546)**	3,993,656
Income tax expense recognised in OCI	**(2,495,546)**	3,993,656
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit before tax	**426,272,777**	665,796,347
Tax using the Company's domestic tax rate (Current year 34.61% and Previous Year 34.61%)	**147,524,483**	230,574,208
Tax effect of:		
Dividend income from subsidiary which is taxed at special rate	**(5,131,410)**	2,107,331
Others	**24,383,513**	32,911,976
Tax expense as per Statement of profit and loss	**166,776,585**	265,593,516

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Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*
as at 31 March 2018

(Currency : Indian rupees)

7 Income taxes *(Continued)*

C. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

31 March 2018

	Balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	3,378,122	(37,077,869)	-	(37,077,869)	-	(33,699,747)
Employee benefits	4,608,353	476,263	2,495,546	2,971,809	7,580,162	-
Provisions	67,361,479	(42,127,352)	-	(42,127,352)	25,234,127	-
Disallowances under IT Act	434,921	380,924	-	380,924	815,845	-
Deferred tax assets / (Liabilities)	75,782,875	(78,348,034)	2,495,546	(75,852,488)	33,630,134	(33,699,747)
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	33,630,134
Deferred tax assets / (Liabilities)	75,782,875	(78,348,034)	2,495,546	(75,852,488)	33,630,134	(69,613)

31 March 2017

	Balance 1 April 2016	Acquired pursuant to composite scheme of Arrangement and Amalgamation	Total	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset								
Property, plant and equipment	(57,705,811)	76,490,122	18,784,311	(15,406,189)	-	3,378,122	3,378,122	-
Employee benefits	3,038,479	18,095,973	21,134,452	(16,526,099)	-	4,608,353	4,608,353	-
Equity-settled share-based payments	1,270,658	-	1,270,658	2,722,998	(3,993,656)	-	-	-
Provisions	58,173,081	58,263,413	116,436,494	(49,075,015)	-	67,361,479	67,361,479	-
Disallowances under IT Act	-	(3,862,593)	(3,862,593)	4,297,514	-	434,921	434,921	-
Deferred tax assets / (Liabilities)	4,776,407	148,986,915	153,763,322	(73,986,791)	(3,993,656)	75,782,875	75,782,875	-
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-	-	-
Deferred tax assets / (Liabilities)	4,776,407	148,986,915	153,763,322	(73,986,791)	(3,993,656)	75,782,875	75,782,875	-

There are no tax losses that can be carried forward.

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		31 March 2018	31 March 2017
8	**Other tax assets**		
	Advance tax [Net of provision for income tax Rs. 1,708,035,547 {31 march 2017 Rs.1,619,606,996}]	**371,366,432**	182,191,396
		371,366,432	182,191,396
9	**Other non-current assets**		
	Prepaid expenses	**1,731,902**	1,892,186
	Advance paid to gratuity fund	-	4,722,550
		1,731,902	6,614,736
10	**Current investments**		
	Investments in mutual funds (quoted)		
	(carried at fair value through profit or loss)		
	125,567(31st march 2017-Nil) Units of Rs 2,391 each of Invesco India Liquid Fund - Direct Plan Growth	**300,194,416**	-
		300,194,416	-
	Aggregate amount of quoted investments and market value	**300,194,416**	-
11	**Trade receivables**		
	Unsecured		
	- Considered good	**477,057,316**	1,212,082,162
	- Considered doubtful	**66,210,561**	101,853,404
		543,267,877	1,313,935,566
	Less: Provision for doubtful debts	**(66,210,561)**	(101,853,404)
		477,057,316	1,212,082,162
	Trade receivables includes :		
	Dues from related party	**26,676,878**	43,519,472
	For terms and conditions relating to related party receivables, refere Note 43		
12	**Cash and cash equivalents**		
	Balance with banks :		
	-In current Accounts	**285,081,974**	720,050,775
	-Deposit Accounts (with origional maturity of 3 months or less)	**362,349,249**	21,827,180
	Cheques, drafts on hand	-	35,609
	Cash on hand	**9,860,101**	17,537,532
		657,291,324	759,451,096

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(Currency : Indian rupees)

		31 March 2018	31 March 2017
13	**Other current financial assets**		
	(Unsecured, considered good unless otherwise stated)		
	Unbilled revenue	**26,647,505**	798,754
	Security deposits		
	Considered Good	**6,931,001**	6,313,922
	Considered doubtful	-	-
		6,931,001	6,313,922
	Less: Provision for doubtful deposits	-	-
		6,931,001	6,313,922
	Other receivable		
	Considered Good	**26,329,191**	3,994,684
	Considered doubtful	-	-
		26,329,191	3,994,684
	Less: Impairment Loss	-	-
		26,329,191	3,994,684
	Interest accrued but not due on fixed deposits with banks	**358,654**	76,590
	Interest accrued on other deposits	**3,444,678**	1,961,756
		63,711,029	13,145,706
14	**Derivative assets**		
	Derivative assets	-	47,394,973
		-	47,394,973
15	**Other current assets**		
	Export benefits receivable	**198,081,049**	82,141,715
	Prepaid expenses	**16,533,469**	12,521,360
	Balances with Government Authorities	**15,045,056**	4,376,749
	Advance to vendors - Considered good		
	Considered good	**1,103,227,388**	708,581,278
	Considered doubtful	-	85,747,381
		1,103,227,388	794,328,659
	Less: Impairment loss	-	(85,747,381)
		1,103,227,388	708,581,278
	Staff advances- Considered good	**4,246,425**	4,804,846
		1,337,133,387	812,425,948

(Currency : Indian rupees)

	31 March 2018	31 March 2017
16 Share capital		
Authorised :		
19,430,000 (31 March 2017: 3,000,000) equity Shares of Rs. 10 each	**194,300,000**	30,000,000
Issued, subscribed and paid up:		
1,64,99,31 (31 March 2017: 1,64,99,31) equity shares of Rs 10 each, fully paid-up	**16,499,310**	16,499,310
	16,499,310	16,499,310

i Reconciliation of number of equity shares outstanding at the beginning and end of the year:

Equity share :

	31 March 2018		31 March 2017	
	No. of Shares	**Amount in INR**	No. of Shares	Amount in INR
At the commencement of the year	**1,649,931**	**16,499,310**	2,165,395	21,653,950
Less: Inter company cross holding adjusted on account of merger (refer Note 41)	-	-	515,464	5,154,640
Outstanding at the end of the year	**1,649,931**	**16,499,310**	1,649,931	16,499,310

ii Rights attached to Equity shares

The Company has a single class of equity shares having par value of Rs 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets after distribution of all preferential amounts, if any. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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16 Share Capital *(Continued)*

iii *Equity Shares held by holding company / ultimate holding company / subsidiaries of holding company*

Equity share	31 March 2018		31 March 2017	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Equity shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company')	**1,576,698**	**15,766,980**	1,576,698	15,766,980
Sterling Holiday Resorts Limited (erstwhile Thomas Cook Insurance Services (India) Ltd)	**73,234**	**732,340**	73,234	732,340
	1,649,932	**16,499,320**	1,649,932	16,499,320

iv Shareholders holding more than 5% shares in the company is set out below:

Equity share	31 March 2018		31 March 2017	
	No. of Shares	No of shares %	No. of Shares	No of shares %
Equity shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	**1,576,698**	**95.56%**	1,576,698	95.56%

(b) Instruments entirely equity in nature

Authorised :	**31 March 2018**	31 March 2017
300,000,000 (31 March 2017:Nil) Preference shares of Rs 10 each	**3,000,000,000**	-
Issued and subscribed and paid up:		
263,709,264 (31 March 2017 : Nil) 0.01% Non-Cumulative, Optionally Convertible Preference shares of Rs 10 each, fully paid up	**2,637,092,640**	-
	2,637,092,640	-

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16 Share Capital *(Continued)*

i Reconciliation of number of Preference shares outstanding at the beginning and end of the year :

	31 March 2018		31 March 2017	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
At the commencement of the year			-	-
Add: Shares issued to Thomas Cook (India) Limited (refer Note 41)	263,709,264	2,637,092,640		
Outstanding at the end of the year	263,709,264	2,637,092,640	-	-

ii Rights attached to Preference shares

Preference shares outstanding at the end of 20 years shall be converted into equity shares as per the conversion ratio of 220 preference shares of Rs. 10 each into one equity share of Rs. 10 each. Failing this, preference shares shall be converted into equity shares by the Company on 26th September 2037. The holders of these shares are entitled to non-cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders. where dividend is not declared in respect of a financial year in the case of non-cumulative preference shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the Preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

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16 Share Capital *(Continued)*

(b) Instruments entirely equity in nature *(Continued)*

iii ***Preference Shares held by holding company / ultimate holding company / subsidiaries of holding company***

	31 March 2018		31 March 2017	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Preference shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company')	263,709,264	2,637,092,640	-	-
	263,709,264	2,637,092,640	-	-

iv **Shareholders holding more than 5% shares in the company is set out below:**

	31 March 2018		31 March 2017	
	No. of Shares	No of shares %	No. of Shares	No of shares %
Preference shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	263,709,264	100.00%	-	-

(C) Share Capital Suspense

	31 March 2018	31 March 2017
Share Capital Suspense	-	2,637,092,640

263,709,264 Non- Cumulative Optionally Convertible Redeemable Preference Shares of Rs 10 each to be issued to the shareholders of SOTC Travel Services Private Limited pursuant to Composite Scheme of Arrangement and Amalgamation (refer Note 41)

Notes to the financial statements *(Continued)*
as at 31 March 2018

(Currency : Indian rupees)

17 Other equity

	31 March 2018	31 March 2017
Securities premium		
At the commencement of the year	**1,119,112,997**	1,119,112,997
Add: On issue of shares	-	-
At the end of the year	**1,119,112,997**	1,119,112,997
General reserve		
At the commencement and end of the year	**273,895,730**	100,627,008
Add: Pursuant to composite scheme of Arrangement and Amalgamation	-	237,072,956
Less : Transfer to surplus		(63,804,234)
At the end of the year	**273,895,730**	273,895,730
Capital reserve		
At the commencement and end of the year	**(4,092,760,421)**	160,137
Add: Pursuant to composite scheme of Arrangement and Amalgamation		(4,092,920,558)
At the end of the year	**(4,092,760,421)**	(4,092,760,421)
Capital redemption reserve		
At the commencement and end of the year	**3,269,500**	-
Add: Pursuant to composite scheme of Arrangement and Amalgamation		3,269,500
At the end of the year	**3,269,500**	3,269,500
	(2,696,482,194)	(2,696,482,194)

Nature and purpose of reserves

i. Securities premium reserve

The Securities Premium used to record the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013.

ii. Capital reserve

The reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

iii. Capital redemption reserve

Capital redemption reserve represents amounts set aside by the Company for future redemption of capital.

iv. General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

18 Borrowings

	31 March 2018	31 March 2017
Secured		
-Term loan from financial institution	**80,000,000**	330,000,000
Unsecured		
-Loans and advances from related parties	**410,000,000**	-
	490,000,000	330,000,000

Nature of security:

Backed by a Corporate Guaranatee from Thomas Cook (India) Limited.

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Notes to the financial statements *(Continued)*
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	31 March 2018	31 March 2017
18 Borrowings *(Continued)*		

Terms of repayment:
-Term loan from financial institution
(i) Rs. 16 Crore loan from HDFC Bank-Repayble in 20 equal quarterly installments beginning from the quarter subsequent to taking the loan (October 2015) along with monthly interest which is base rate + 1%.
-Loans and advances from related parties
(i) Rs. 36 Crores from Thomas Cook India Limited-Repayble in 12 equal quarterly installments beginning from the quarter subsequent to taking the loan (Jan 2018) along with monthly interest which is 3m HDFC MCLR +0.10 bps=7 95% per annum.
(ii)Rs. 20 Crores from Thomas Cook India Limited-Repayble after 3 years with bullet repayment along with annual interest which is 8% per annum.
(iii)Rs. 26 Crores from Thomas Cook India Limited-Repayble after 3 years or repayable on demand along with annual interest which is 7.95% per annum.

19 Long-term provisions

	31 March 2018	31 March 2017
Provision for employee benefits		
Gratuity [refer Note 37]	3,265,642	-
	3,265,642	-

20 Trade and other payables

	31 March 2018	31 March 2017
Due to micro, small and medium enterprises [refer Note 34]	-	-
Due to others	2,867,631,344	2,767,043,774
	2,867,631,344	2,767,043,774

21 Current - other financial liabilities

	31 March 2018	31 March 2017
Current maturities of long-term debt [refer Note 37]		
-Term loan from financial institution	53,333,333	120,000,000
-Loans and advances from related parties	380,000,000	-
Interest accrued but not due on borrowings	13,913,721	3,914,384
Book overdraft	-	28,250,783
Accrued salary and benefits	18,761,573	20,110,095
Directors commission payable	4,958,774	354,821
Other financial liability	1,617,923	606,059
	472,585,324	173,236,142

22 Derivative liabilities

	31 March 2018	31 March 2017
Derivative Liabilities	24,016,347	-
	24,016,347	-

23 Other current liabilities

	31 March 2018	31 March 2017
Customers' advances	183,308,913	179,298,006
Statutory dues	70,998,088	25,339,725
	254,307,001	204,637,731

24 Short term provisions

	31 March 2018	31 March 2017
Provision for employee benefits		
Compensated absences	5,337,035	4,149,628
	5,337,035	4,149,628

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Notes to the financial statements *(Continued)*
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		31 March 2018	31 March 2017
25	**Revenue from operations**		
(A)	**Sales and services**		
	Income from tours	5,832,915,352	11,776,605,124
	Sale of products (traded goods)	-	952,401
		5,832,915,352	11,777,557,525
(B)	**Other operating revenue**		
	Commission income	118,469,801	226,647,220
	Other travel services	13,723,490	50,917,360
	Support service income	-	10,905,324
	Marketing fees and other incentive income	1,401,388	22,108,806
	Franchisee and other fees	-	1,391,111
	Unclaimed credit balances no longer required, written back	11,637,221	42,105,565
	Excess provision written back	237,844,171	4,217,845
	Royalty income	-	280,811
	Other miscellaneous operating income	1,615,026	3,465,677
		384,691,097	362,039,719
		6,217,606,449	12,139,597,244
26	**Other income**		
	Interest on deposits and investments	486,180	509,977
	Interest on Inter-Corporate deposits	10,826,263	18,546,686
	Interest income - others	7,648,611	1,114,637
	Interest on tax refunds	2,831,720	21,969,033
	Dividend on equity shares - subsidiary	29,654,474	-
	Profit on sale of fixed assets (net)	4,753,081	27,549,411
	Export Incentives	247,860,685	165,088,607
	Management fees Income	12,053,250	-
	Facility Support Income	48,350,472	34,854,968
	Royalty and other income	5,584,438	3,281,941
	Profit on sale of mutual fund units	7,854,208	22,067,578
	Exchange gain (net) (including forward exchange contract)	-	103,939,573
	Sharing of Group Cost	13,844,528	12,321,212
	Miscellaneous income	-	1,926,581
		391,747,910	415,925,219
27	**Cost of tours**	5,165,176,350	10,507,996,949
		5,165,176,350	10,507,996,949
28	**Changes In Inventories:**		
	Opening inventories	-	3,782,905
	Add : Purchase	-	952,401
	Less :Deduction pursuant to composite scheme of arrangement and amalgamation (Refer Note 40)	-	1,185,815
	Closing inventories	-	-
	(Increase)/decrease in inventories	-	3,549,491

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

	31 March 2018	31 March 2017
29 Employee benefit expense		
Salaries and other allowances	430,153,884	612,551,413
Contribution to provident fund and other funds	17,594,374	30,362,699
Compensated absences	1,230,721	(921,952)
Gratuity	469,293	7,053,850
Share-based payment to employees	24,620,270	8,244,979
Staff welfare	19,893,098	23,231,537
	493,961,640	680,522,526

	31 March 2018	31 March 2017
30 Finance costs		
Interest expense	69,210,379	68,966,966
Other finance charges	10,070,090	12,568,251
	79,280,469	81,535,217

	31 March 2018	31 March 2017
31 Other expenses		
Legal and professional charges	127,874,570	110,633,772
Operational lease rentals	95,912,143	111,451,135
Travelling expenses	25,254,425	35,099,657
Exchange loss (net) (including forward exchange contract)	23,408,819	15,256,508
Advertisement and publicity	17,098,726	41,437,992
Repairs and maintenance – others	15,854,051	73,475,819
Electricity charges	13,597,693	29,447,338
Communication	12,485,595	28,142,325
Rates and taxes	7,682,856	6,919,516
Insurance	7,164,714	1,987,659
Sales promotion	6,965,925	4,456,588
Director commission	5,022,641	354,821
Auditors' remuneration	4,988,490	14,169,319
Security services	4,432,702	3,619,102
Printing and stationery	2,585,030	5,600,723
Corporate social responsibility expenses	972,430	8,481,315
Provision for doubtful debts	135,595	(11,342,663)
Commission and brokerage	-	61,275
Bad debts and Advance written off	-	44,359,973
Vehicle expenses	(1,609,557)	10,207,703
Subscription fees	-	1,276,436
Provision for doubtful deposits	-	2,875,718
Miscellaneous expenses	12,117,700	9,800,816
	381,944,548	547,772,847

Auditor's Remuneration		
As auditor		
- Statutory audit	3,300,000	7,044,750
- Tax Audit	200,000	1,400,000
In others Capacity		-
-Taxation Matters	-	-
-Certification	1,488,490	5,404,115
-Other matters	-	-
Out of pocket expenses	-	319,454
	4,988,490	14,168,319

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Notes to the financial statements *(Continued)*
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(Currency : Indian rupees)

32 Earnings per share (EPS)

	31 March 2018	31 March 2017
A. Profit after tax	259,496,192	336,398,598
B. Weighted average number of equity shares outstanding during the year	1,649,931	1,649,931
C. Weighted average number of preference shares outstanding during the year	263,709,264	-
D. Shares in Share Capital Suspense	-	263,709,264
Basic and diluted earnings per share		
E. Basic earnings per share (A/B)	157.28	203.89
E. Diluted earnings per share (A/B+C)	0.98	1.27

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Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

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33 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

31 March 2018	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at Fair value								
Investment in Mutual Funds	300,194,416	-	-	300,194,416	300,194,416	-	-	300,194,416
Financial assets not measured at fair value								
Trade receivables	-	-	477,057,316	477,057,316	-	-	-	-
Cash and cash equivalents	-	-	657,291,324	657,291,324	-	-	-	-
Other financial assets								-
- Non-current	-	-	61,269,697	61,269,697	-	61,269,697	-	61,269,697
- Current	-	-	63,711,029	63,711,029	-	-	-	-
	300,194,416	-	1,259,329,366	1,559,523,782	300,194,416	61,269,697	-	361,464,113
Financial liabilities measured at Fair value								
Derivative Liability	24,016,347	-	-	24,016,347	-	24,016,347	-	24,016,347
Financial liabilities not measured at fair value								
Trade payables	-	-	2,867,631,344	2,867,631,344	-	-	-	-
Borrowings	-	-	490,000,000	490,000,000	-	490,000,000	-	490,000,000
Other financial liabililties								
- Current	-	-	472,585,324	472,585,324	-	-	-	-
Total financial liabilities	24,016,347	-	3,830,216,668	3,854,233,015	-	514,016,347	-	514,016,347

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33 Financial instruments – Fair values and risk management *(Continued)*

A. Accounting classification and fair values *(Continued)*

31 March 2017	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at fair value								
Derivative assets	47,394,973	-	-	47,394,973	-	47,394,973	-	47,394,973
Financial assets not measured at fair value								
Trade receivables	-	-	1,212,082,162	1,212,082,162	-	-	-	-
Cash and cash equivalents	-	-	759,451,096	759,451,096	-	-	-	-
Other financial assets								-
- Non-current	-	-	64,426,847	64,426,847	-	64,426,847	-	64,426,847
- Current	-	-	13,145,706	13,145,706	-	-	-	-
	47,394,973	-	2,049,105,811	2,096,500,784	-	111,821,820	-	111,821,820
Financial liabilities not measured at fair value								
Trade payables	-	-	2,767,043,774	2,767,043,774	-	-	-	-
Borrowings	-	-	330,000,000	330,000,000	-	330,000,000	-	330,000,000
Other financial liabililties								
- Current	-	-	173,236,142	173,236,142	-	-	-	-
Total financial liabilities	-	-	3,270,279,916	3,270,279,916	-	330,000,000	-	330,000,000

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33 Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values

Valuation techniques and significant unobservable inputs
The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contracts for foreign exchange contracts	The foreign exchange forward contracts are marked to market using forward FEDAI rates pertaining to the date of maturity of the contract at the balancesheet date	Not Applicable	Not Applicable

Transfers between Levels

There were no transfers in either direction in any of the reporting periods.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

33 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

ii. Credit risk

Credit risk is the risk that 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)

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness . Credit limits are established for each customer on annual basis. Any sales exceeding those limits require approval from the Risk Management Committee .

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk is limited due to the fact that the customer base is large.

Reconciliation of loss allowance provision- Trade receivables	31 March 2018	31 March 2017
Balance at the beginning of the year	101,853,404	88,499,158
Changes in loss allowance	(35,642,842)	13,354,246
Balance at the end of the year	66,210,562	101,853,404

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Notes to the financial statements *(Continued)*
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(Currency . Indian rupees)

33 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company's principal source of liquidity are cash and cash equivalents, bank overdraft and the cash flow that is generated from operations. The company has an outstanding bank borrowings on Rs 133,333,333. As of March 2018 the company had working capital of Rs (788,482,928) including cash and cash equivalents of Rs 657,291,323 and current investments of Rs 300,194,416. As of March 2017 company had working capital of Rs (304,567,390) including cash and cash equivalent of Rs 759,451,096 and current investement of Rs NIL. Company has negative working capital due to funds utilized for acquisition. The company has approved unutilized line of credit of INR 400,000,000 as on balance sheet date and this line of credit can be drawn down to meet short term financing needs. The Company does not perceive any liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclnde the impact of netting agreements.

			Contractual cash flows				
31 March 2018	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Rupee term loans from banks	133,333,333	133,333,333	26,666,667	26,666,666	53,333,333	26,666,667	-
Loans and advances from related parties	790,000,000	790,000,000	60,000,000	60,000,000	120,000,000	550,000,000	
Trade and other payables	2,867,631,344	2,867,631,344	2,867,631,344	-	-	-	-
Other financial liabilities	39,251,991	39,251,991	39,251,991	-	-	-	-

			Contractual cash flows				
31 March 2017	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Rupee term loans from banks	450,000,000	450,000,000	60,000,000	60,000,000	120,000,000	210,000,000	-
Trade and other payables	2,767,043,774	2,767,043,774	2,767,043,774	-	-	-	-
Other financial liabilities	53,236,142	53,236,142	53,236,142	-	-	-	-

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Notes to the financial statements *(Continued)*

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33 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management *(Continued)*

iv. Market risk *(Continued)*

Exposure to currency risk (Exposure in different currencies converted to functional currency) *(Continued)*

The following significant exchange rates have been applied during the year.

	Average rate		Year-end spot rate	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
USD	**64.88**	67.02	**64.84**	64.92
EUR	**74.95**	73.30	**80.57**	69.33
JPY	**59.70**	61.90	**61.48**	57.92
GBP	**86.56**	87.23	**92.04**	81.07

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2018 and 31 March 2017 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

	Profit or loss		Equity, net of tax	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 March 2018				
1% movement				
USD	**(4,223,920)**	**4,223,920**	-	-
EUR	**(6,142,457)**	**6,142,457**	-	-
JPY	**6,579**	**(6,579)**	-	-
GBP	**(2,349,830)**	**2,349,830**	-	-
	(12,709,627)	**12,709,627**	-	-

	Profit or loss		Equity, net of tax	
Effect in INR	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31 March 2017				
1% movement				
USD	3,227,017	(3,227,017)	-	-
EUR	(1,765,299)	1,765,299	-	-
JPY	14,439	(14,439)	-	-
GBP	(460,959)	460,959	-	-
	1,015,198	**(1,015,198)**	-	-

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Notes to the financial statements *(Continued)*
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34 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, following are the details of dues to Micro and Small Enterprises:

Particulars	31 March 2018	31 March 2017
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day durimg each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

35 Segment reporting

The Company is in the business of providing travel and related services to its corporate customers which is considered by management as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

36 Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity – retained profit, other reserves, share capital, share premium

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to return excess liquidity to shareholders by distributing dividends in future periods.

Notes to the financial statements *(Continued)*
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37 Employee benefits

A. The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance Corporation, Labour Welfare Fund and National Pension Scheme which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue.

Amount contributed to defined contribution plan and recognised as an expense in the Statement of profit and loss are as under:

Particulars	31 March 2018	31 March 2017
Employer's contribution to provident fund	16,237,501	13,420,821
Employee's State Insurance Corporation	638,347	214,207
Labour welfare fund	255,788	73,902
NPS Contribution	322,124	-

(ii) Defined Benefit Plan:

The Company provides for gratuity using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, based on legislations as enacted up to the balance sheet date. Actuarial gains and losses are recognised in full in the Statement of profit and loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act,1972 or as per the Company's scheme, whichever is more beneficial.

Compensated absences and leave encashment
Effective 1 January 2017 there has been a change in the Leave Policy as a part of a Group alignment initiative. As per the new leave policy, every employee will be allotted 30 days of leave in the first week of January. No leaves can be carried forward to the next year whereby, the leave balance left unutilized on 31 December shall lapse. During the year, a sum aggregating to Rs 12,30,721 [31 March 2017: Rs. (32,17,530)] has been recognised as an expense in the Statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31 March 2018	31 March 2017
Gratuity		
Net defined benefit asset	54,180,239	72,674,607
Net defined benefit liability	57,019,618	67,952,057
Net defined benefit (asset) / liability	2,839,379	(4,722,550)

B. Movement in net defined benefit (asset) liability- Gratuity

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Opening balance	12,472,819	27,582,140	17,630,427	20,988,068	(5,157,608)	6,594,072
Included in profit or loss					-	-
Current service cost	838,062	2,157,211	-	-	838,062	2,157,211
Adjustment to opening fair value of plan ass	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	866,602	2,043,351	1,425,258	1,643,467	(558,656)	399,884
Settlements / benefits paid	-	-	-	-	-	-
	14,177,483	31,782,702	19,055,685	22,631,535	(4,878,202)	9,151,167

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Notes to the financial statements *(Continued)*

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37 Employee benefits *(Continued)*

B. Movement in net defined benefit (asset) liability- Gratuity *(Continued)*

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	-	-	-	-	-	-
Amount not recongnised due to asset limit	-	-	-	-	-	-
Demographic assumptions	2,366,285	-	-	-	2,366,285	-
Financial assumptions	(542,130)	633,736	-	-	(542,130)	633,736
Experience adjustment	8,486,124	(15,764,110)	-	-	8,486,124	(15,764,110)
Effect of Interest on Opening Balance of asset ceiling			(189,887)		189,887	
Effect of asset ceiling	-	-	2,845,653	(2,655,766)	(2,845,653)	2,655,766
Return on plan assets excluding interest	-	-	(83,125)	(65,850)	83,125	65,850
	10,310,279	(15,130,374)	2,572,541	(2,721,616)	7,737,738	(12,408,758)
Other						
Contributions paid by the employer	-	-	20,157	1,900,017	(20,157)	(1,900,017)
Liabilities assumed / (settled)	35,253,789	-	35,253,789	-	-	-
Benefits paid	(2,721,933)	(4,179,509)	(2,721,933)	(4,179,509)	-	-
Closing balance	57,019,618	12,472,819	54,180,239	17,630,427	2,839,379	(5,157,608)
Represented by						
Net defined benefit asset					54,180,239	17,630,427
Net defined benefit liability					57,019,618	12,472,819
					2,839,379	(5,157,608)

C. Plan assets- Gratuity

Plan assets comprise the following

	31-Mar-18	31-Mar-17
Investment in Gratuity Fund	54,180,239	17,630,427
	54,180,239	17,630,427

D. Defined benefit obligations- Gratuity

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2018	31 March 2017
Discount rate	7.35%	7.15%
Salary escalation rate	6.00%	6.00%
Mortality rate	IALM (2006-08) Ult	IALM (2006-08) Ult
Employee Attrition Rate		
Upto Age 30	29.00%	25.00%
Age 31-34	23.00%	10.00%
Age 35-44	19.00%	5.00%
Age 45 and above	25.00%	6.00%

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

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37 Employee benefits *(Continued)*

D. Defined benefit obligations- Gratuity *(Continued)*

ii. Sensitivity analysis- Gratuity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31-Mar-18	
	Increase	Decrease
Discount rate (0.5% movement)	300,595	(286,875)
Future salary growth (0.5% movement)	303,090	(291,864)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

E. Movement in net defined benefit (asset) liability - Provident fund

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Opening balance	30,753,268	46,545,921	30,753,268	46,545,921	-	-
Included in profit or loss						
Current service cost	171,781	185,504	-	-	171,781	185,504
Adjustment to opening fair value of plan ass	-	-	-	-	-	-
Expected return on plan assets		-	-	-	-	-
Past service cost	-	-		-	-	-
Interest cost (income)	2,082,830	3,445,112	2,082,830	3,445,112	-	-
Settlements / benefits paid	-	-	-	-	-	-
	33,007,879	50,176,537	32,836,098	49,991,033	171,781	185,504
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	272,865	(114,464)	272,865	(114,464)	-	-
Amount not recognised due to asset limit		-	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	-	-	-	-	-
Experience adjustment	-	-	-	-	-	-
Return on plan assets excluding interest	-	-	-	-	-	-
	272,865	(114,464)	272,865	(114,464)	-	-
Other						
Contributions paid by the employees	278,080	311,695	278,080	311,695	-	-
Contributions paid by the employer	-	-	171,781	185,504	(171,781)	(185,504)
Liabilities settled	-	(13,931,198)	-	(13,931,198)	-	-
Benefits paid	(3,589,130)	(5,689,302)	(3,589,130)	(5,689,302)	-	-
Closing balance	29,969,694	30,753,268	29,969,694	30,753,268	-	-
Represented by						
Net defined benefit asset					29,969,694	30,753,268
Net defined benefit liability					29,969,694	30,753,268
					-	-

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37 Employee benefits *(Continued)*

F. Plan assets - Provident Fund

Plan assets comprise the following

	31 March 2018	31 March 2017
Investment in Provident Fund	29,969,694	30,753,268
	29,969,694	30,753,268

G. Defined benefit obligations - Provident Fund

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2018	31 March 2017
Discount rate	7.35%	7.15%
Expected rate of return on assets (p.a.)	8.82%	8.97%
Discount rate for remaining term to maturity of investment (p.a.)	7.55%	6.95%
Average historic yield on the investment (p.a.)	9.02%	8.77%
Guaranteed rate of return (p.a.)	8.55%	8.65%

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38 Operating leases

A. Leases as lessee

a) The Company procures equipments, vehicles and office premises under operating leases. The initial tenure of the lease is generally between 12 months to 60 months. The lease rentals recognised in the Standalone Statement of profit and loss (refer Note 31) for the year are Rs 95,912,143 (31 March 2017: Rs 11,14,51,135).

The future minimum lease payments and payment profile of non-cancellable operating leases are as under:

i. Future minimum lease payments

At 31 March the future minimum lease payments under non-cancellable leases were payable as follows.

	31 March 2018 INR	31 March 2017 INR
Less than one year	**67,758,654**	64,341,211
Between one and five years	**38,409,368**	53,770,388
More than five years	**2,734,610**	-
	108,902,632	118,111,599

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39 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2018	31 March 2017
Contingent liabilities		
a. Taxes that may arise in respect of which the Company / the Income-tax Department is in appeal (in respect of some earlier years, appeals covering the same issues have been decided in favor of the Company by the appellate authorities)	201,106,784	147,582,908
b. Service tax that may arise in respect of which the Service Tax Department is in appeal (in respect of some earlier years, appeals covering the same issues have been decided in favor of the Company by the appellate authorities)	527,339	527,339

40 Corporate social responsibility

Particulars	31 March 2018	31 March 2017
Amount required to be spent as per section 135 of the Act:	922,430	4,886,149
Amount spent during the year on:		
Padmashri Foundation	50,000	-
Action for ability Development and inclusion	-	100,000
11 Dialysis MSC	-	2,045,647
Literacy india - women empowerment	-	1,191,670
Literacy india - Grants for Education and welfare of Child	-	250,000
Fairfax Foundation - Health and sanitisation	922,430	2,586,620
Taj Public Welfare Fund	-	20,000
Fairfax Trust - Contribution for four numbers Dialysis machines	-	2,122,000
Literacy India - Women Empowerment Orange bags	-	154,092
Eco Village - Hyderabad	-	11,288
Total	972,430	8,481,317

41 Scheme of Amalgamation/ Demerger

On 19 April 2017, National Company Law Tribunal (NCLT), Mumbai the approved a Composite Scheme of Arrangement and Amalgamation ("Composite Scheme"), pursuant to which the "outbound business" of SOTC Travel Services Private Limited has been transferred to SOTC Travel Private Limited (formerly known as SITA Travels Private Limited) by way of slump exchange and thereafter, the residual SOTC Travel Services Private Limited (having the "inbound business") including its subsidiaries (i.e. Distant Frontiers Tours Private Limited, SITA Beach Resorts Private Limited, SITA Destination Management Private Limited, SITA Holidays (India) Private Limited, SITA Holidays Resorts Private Limited and SITA Incoming (India) Private Limited) has been amalgamated into Travel Corporation (India) Limited. The Said scheme is effective on 1 July 2017 from the appointed date 1 July 2016.

As per the Scheme, the assets and liabilities as at 1 July 2016 that have been acquired by the Company are as follows:

Particulars	1-July-16
Assets	
Non-Current Asset	
Property, plant and equipment	42,678,793
Other intangible assets	8,033,296
Investments in subsidiaries and associates	(384,831,806)
Financial assets	61,056,212
Deferred tax assets (net)	153,227,607
Other non-current assets	1,277,424
Other tax assets	1,605,119,324
Total Non Current Asset	1,486,560,850

(Currency : Indian rupees)

41 Scheme of Amalgamation/Demerger *(Continued)*

Particulars	1-July-16
Assets	
Current Asset	
Financial Asset	961,767,182
Other current assets	173,732,162
Total Current Asset	**1,135,499,344**
Total Assets	**2,622,060,194**
Equity and Liabilities	
Equity	(5,154,640)
Other equity	
i) Reserve and surplus	1,121,627,816
ii) Other reserves	1,218,345,456
iii) Other comprehensive income	921,115
Total Equity	**2,335,739,747**
Non Current Liabilities	8,495,566
Current Liabilities	
Financial liabilities	1,309,583,276
Other current liabilities	82,428,572
Short-term provisions	1,319,643,951
Total Current Liabilities	**2,711,655,799**
Total Equity and Liabilities	**5,055,891,112**
Net Assets	**(2,433,830,918)**

As per the scheme, the Company has issued 263,709,264 Non- Cumulative Optionally Convertible Redeemable Preference Shares of Rs 10 each to the shareholders of SOTC Travel Services Private Limited in the ratio of 48 preference shares of Rs 10 each for 1 equity share of Rs 10 each on 26th September 2017.

Pursuant to the composite scheme, net assets of Rs 1,063, 804,234 as on 1st July 2016 has been transferred to SOTC Travel Limited at a consideration of Rs 1,000,000,000 on 13th September 2017 and accordingly Rs. 63,804,234 has been booked as Exceptional item- Loss on Slump exchange. Due to demerger, the current year numbers are not comparable with previous years.

As per the applicable Accounting Standard, Ind AS 103, since the composite scheme of arrangement is between fellow subsidiaries there is no transfer of control in this transaction. As per the standard, therefore the financial information should be restated at carrying amount not from the appointed date but from the beginning of the preceding period in the financial statements. Accordingly, all the assets and liabilities of the SOTC Travel Services Private Limited and its subsidiaries has been transferred to and vested in the Company, and these assets and liabilities has been recorded at their respective book values under " Pooling of Interest" method as on April 1, 2016 of Rs 2,433,830,918 and any difference arising due to the above treatment has been adjusted in the capital reserve of Rs 5,070,923,558.

42 Transfer pricing

The Company's international transactions with associated enterprises are at arm's length as per the independent accountant's report in this regard, for the period ended 31 March 2017. Management believes that the Company's international and domestic transactions with associated enterprises post 31 March 2017 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of the tax expense for the period and the amount of the provision for taxation at the period end.

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43 Related party transactions

(A) Names of related parties by whom control exists

Name of the parties	Relationships
Thomas Cook (India) Limited	Holding Company of Travel Corporation (India) Limited
Fairfax Financial Holdings Limited	Ultimate Holding Company, Canada

(B) Subsidiaries with whom transactions have taken place during the year

Name of the parties	Relationships
Horizon Travel Services LLC	Subsidiaries of the Company
TC Visa Services (India) Limited	Subsidiaries of the Company
SITA World Travel Lanka (Pvt) Limited	Subsidiaries of the Company
SITA World Travel Nepal Private Limited	Subsidiaries of the Company
Jardin Travel Solutions Limited	Subsidiaries of the Company

(C) Fellow Subsidiaries with whom transactions have taken place during the year

Name of the parties	Relationships
Thomas Cook Tours Limited	Fellow subsidiaries of the Company
SOTC Travel Limited	Fellow subsidiaries of the Company
Sterling Holidays Resorts Limited	Fellow subsidiaries of the Company
Quess Corp Limited (formerly IKYA Human Capital Solutions Limited)	Fellow subsidiaries of the Company

(D) Associate & Joint Ventures with whom transactions have taken place during the year

Name of the parties	Relationships
Travel Circle International Mauritius Limited	Associate of the Company
TCI Go Vacation Private Limited	Joint Venture of the Company

(E) Other related parties with whom transactions have taken place during the year

Name of the parties	Relationships
Lusa Asia Private Limited	Other related party

(F) Key Management Personnel

Name of the parties	Name of the key management personnel
Directors of the Company	Mr Madhavan Menon*
	Mr Harsha Raghavan*
	Mr Zohra Chatterji*
	Mr Sunil Behari Mathur*
	Mr Dipak Deva
Chief Financial Officer	Mr Sanjay Shroff
Chief Operating Officer	Mr. Vinit mahendru
Chief Operating Officer	Mr. Ernest Dias
Company Secretary	Ms Ritu Verma

Notes to the financial statements *(Continued)*
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(Currency : Indian rupees)

43 Related party transactions *(Continued)*

(G) Related parties with whom transactions have taken place during the year

Particulars	Year	Holding Company	Subsidiary	Fellow subsidiaries	Joint Venture & Associate	Other Related Party	Key Management Personnel	Total
Sale of services	2018	466,455	-	-	-	-	-	466,455
	2017	68,559,496	1,834,650	-		-	-	70,394,146
Purchase of services	2018	123,620,379	184,072,966	118,049,563	-	54,466,620	-	480,209,528
	2017	143,543,197	155,259,092	46,465,171	-	44,629,220		389,896,680
Facility & support income	2018	21,508,908	881,796	19,896,276	18,223,746			60,510,726
	2017	23,136,845	859,749	16,752,711	-			40,749,305
ESOP Push Down	2018	24,620,270	-	-	-	-		24,620,270
	2017	-	-	-	-		-	-
Gurantee Taken	2018	233,330,000	-		-	-	-	230,330,000
	2017	-	-	-	-	-	-	-
Rent charges	2018	5,581,851		-				5,581,851
	2017			-				-
Interest on loan taken	2018	19,730,095	-	-	-		-	19,730,095
	2017	-	-	-	-		-	-
Loan taken	2018	820,000,000	-	-	-		-	820,000,000
	2017	-	-	-	-		-	-
Repayment of Loan	2018	30,000,000	-	-	-		-	30,000,000
	2017	-	-	-	-		-	-
Loan Given	2018	-	7,600,000	-	-		-	7,600,000
	2017	-	9,599,719	-	-		-	9,599,719
Interest Income on Loan Given	2018	-	1,482,922	-	-		-	1,482,922
	2017	-	1,225,728		-		-	1,225,728
Directors deposit fees paid	2018	-		-	-	-	-	-
	2017		600,000	-		-	-	600,000
Corporate guarantee fees	2018	1,031,728	-	-	-		-	1,031,728
	2017		-	-			-	-
Purchase of Equity Shares	2018	50,000	-	-	-		-	50,000
	2017	-	-	-	-		-	-
Investment in Equity shares	2018	-	72,857,000	-	140,523,875		-	213,380,875
	2017	-	-	849,999,360	-		-	849,999,360

Particulars	Year	Holding Company	Subsidiary	Fellow subsidiaries	Joint Venture & Associate	Other Related Party	Key Management Personnel	Total
Investment in Preference Instrument	2018	-	-	-	576,675,300			576,675,300
	2017	-	-	-	-			-
Dividend Income	2018	-	29,654,474	-	-	-	-	29,654,474
	2017	-	-	-	-		-	-
Royalty Income	2018	-	5,584,438	-	-		-	5,584,438
	2017	-	3,562,752	-	-		-	3,562,752
Sale of Investment	2018	-	-	-	-	-	-	-
	2017	100,000						100,000
Expenses reimbursed	2018	20,475,106	-	29,293,584	-		-	49,768,690
	2017	8,050,932	156,523	2,217,639	-		-	10,425,094
Expenses recovered	2018	-	-	1,506,006	4,050,741		-	5,556,747
	2017	-	15,567	-			-	15,567
Salaries and other employee benefits to KMP's	2018	-		-		-	49,101,678	49,101,678
	2017	-		-			46,570,655	46,570,655
Commission and other benefits to non-executive/independent directors	2018	-	-	-	-	-	5,022,641	5,022,641
	2017	-	-	-		-	1,655,321	1,655,321

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Chartered Accountants

Travel Corporation India Limited

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

43 Related party transactions *(Continued)*

(H) Related party transactions

Particulars	Year	Holding Company	Subsidiary	Fellow Subsidiaries	Joint Venture	Other Related Party	Total
Balance as at 31 March							
Receivable	2018	-	21,649,624	-	5,027,254	-	26,676,878
	2017	31,702,490	11,816,982		-	-	43,519,472
Payables	2018	828,740,219	40,845,306	75,586,778	-	1,930,534	947,102,837
	2017	-	52,476,711	40,995,723	-	1,812,817	95,285,251

(I) Related party transactions:

Particulars	Fellow Subsidiaries	2018	2017
Purchases of services			
	Thomas Cook Tours Limited	-	3,509,941
	Sterling Holidays Resorts Limited	4,443,929	2,220,813
	Quess Corp Limited (formerly IKYA Human Capital Solutions	3,112,613	1,935,451
	SOTC Travel Limited	110,493,021	-
	SOTC Travel Services Private Limited	-	38,798,966
Investment in Equity Shares	Sterling Holidays Resorts Limited	-	849,999,360
Facility & Support Income	SOTC Travel Limited	16,394,616	12,820,670
	Thomas Cook Tours Limited	3,501,660	3,932,041
Expenses reimbursed	Quess Corp Limited (formerly IKYA Human Capital	-	2,217,639
	SOTC Travel Limited	29,293,584	-
	SOTC Travel Services Private Limited	-	-
Expenses recovered			
	SOTC Travel Limited	1,506,006	-
Payables	Thomas Cook Tours Limited	2,481,935	12,041,706
	Sterling Holidays Resorts Limited	1,612,859	2,700
	Quess Corp Limited (formerly IKYA Human Capital	777,773	16,591
	SOTC Travel Limited	70,714,211	-
	SOTC Travel Services Private Limited	-	28,934,726

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Travel Corporation India Limited

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

43 Related party transactions *(Continued)*

(J) Related party transactions:

Particulars	Subsidiaries	2018	2017
Sale of Services	TC Visa Services (India) Limited	-	1,834,650
Purchases of services	SITA World Travel Nepal Private Limited	175,023,949	138,674,829
	SITA World Travel Lanka (Pvt) Limited	9,049,016	16,584,263
Dividend Income	SITA World Travel Nepal Private Limited	29,654,474	-
Expenses reimbursed	SITA World Travel Lanka (Pvt) Limited	-	156,523
Loan Given	Jardin Travel Solutions Limited	7,600,000	-
	SITA World Travel Lanka (Pvt) Limited	-	9,599,719
Interest Income on Loan Given	Jardin Travel Solutions Limited	164,533	-
	SITA World Travel Lanka (Pvt) Limited	1,318,389	1,225,728
Facility & Support Income	TC Visa Services (India) Limited	881,796	859,749
Royalty Income	SITA World Travel Nepal Private Limited	5,584,439	3,502,752
Directors deposit fees paid	SITA World Travel Lanka (Pvt) Limited	-	600,000
Investment in Equity Shares	Jardin Travel Solutions Limited (Right Issue)	9,950,000	-
	Horizon Travel Services LLC	62,907,000	-
Expenses recovered	SITA World Travel Nepal Private Limited	-	15,567
Receivable			
Other	TC Visa Services (India) Limited	134,220	289,851
	SITA World Travel Lanka (Pvt) Limited	1,035,540	-
Loan receivable	Jardin Travel Solutions Limited	7,600,000	-
	SITA World Travel Lanka (Pvt) Limited	9,599,719	9,565,375
Interest Receivable on Loan	SITA World Travel Lanka (Pvt) Limited	3,280,145	1,961,756
Payable	SITA World Travel Nepal Private Limited	40,845,306	52,476,711

(K) Related party transactions:

Particulars	Holding Company	2018	2017
Sale of Services	Thomas Cook (India) Limited	466,455	691,286
	Fairfax Financial Holdings Limited	-	67,868,210
Purchases of services	Thomas Cook (India) Limited	123,620,379	143,543,197
ESOP Push Down	Thomas Cook (India) Limited	24,620,270	-
Gurantee Taken	Thomas Cook (India) Limited	233,330,000	-
Facility & Support Income	Thomas Cook (India) Limited	21,508,908	23,136,845
Rent Charegs	Thomas Cook (India) Limited	5,581,851	-
Purchases of Equity Shares	Thomas Cook (India) Limited	50,000	-
Interest on loan taken	Thomas Cook (India) Limited	19,730,095	-
Loan taken	Thomas Cook (India) Limited	820,000,000	-
Sale of Investment	Thomas Cook (India) Limited	-	100,000
Repayment of Loan	Thomas Cook (India) Limited	30,000,000	-
Corporate guarantee fees	Thomas Cook (India) Limited	1,031,728	-
Expenses reimbursed	Thomas Cook (India) Limited	20,475,106	8,050,932
Receivable	Thomas Cook (India) Limited	-	78,480
	Fairfax Financial Holdings Limited	-	31,624,010
Payables			
Loan Payable	Thomas Cook (India) Limited	790,000,000	-
Rent Payable	Thomas Cook (India) Limited	5,581,851	-
Interest payable on Loan	Thomas Cook (India) Limited	13,019,110	-
Other Payable	Thomas Cook (India) Limited	20,139,258	-

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Travel Corporation India Limited

Notes to the financial statements *(Continued)*
for the year ended 31 March 2018

(Currency : Indian rupees)

43 Related party transactions *(Continued)*

(L) Related party transactions

Particulars	Associate & Joint Venture	2018	2017
Facility & Support Income	TCI Go Vacation Private Limited	18,223,746	-
Investment in Equity shares	TCI Go Vacation Private Limited	9,800,000	-
	Travel Circle International Mauritius Limited	130,723,875	-
Investment in Prefrence Instrument	Travel Circle International Mauritius Limited	576,675,300	-
Expenses recovered	TCI Go Vacation Private Limited	4,060,741	
Balance as at 31 March			
Receivables	TCI Go Vacation Private Limited	5,027,254	-

(M) Related party transactions

Particulars	Other related party	2018	2017
Purchases of services	Luxe Asia Private Limited	54,466,620	44,629,220
Balance as at 31 March			
Payable	Luxe Asia Private Limited	1,930,534	1,812,817

(N) Transactions with key management personnel

Particulars	2018	2017
Salaries and other employee benefits to KMP's	49,101,678	46,570,655
Commission and other benefits to non-executive/independent directors	5,022,641	1,655,321

* These KMP's have not drawn any remuneration from the company during the year.

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(Currency : Indian rupees)

44 Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

Thomas Cook India Limited, the parent company has granted Employee Stock Options to the Company's employees under various plans. Under these plans, the holder of the vested options are entitled to purchase the shares of the holding company at exercise price prescribed in the plans at the respective date of grant of the options.

The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares:

Plan	Grant date	No. of options	Exercise price	Vesting period
GT5SEP2013	5-Sep-13	145,000	49.32	4 years
GT25AUG2015	25-Aug-15	62,000	165.92	4 years
GT07NOV2016	7-Nov-16	465,594	1.00	4 years

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The requirement that the employee has to save in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop saving based on historical behaviour.

	Senior employees	Senior employees	Senior employees
	5 September 2013	25 August 2015	25 November 2016
Fair value at grant date	32.79	102.81	213.04
Share price at grant date	54.80	184.35	218.55
Exercise price	49.32	165.92	1.00
Expected volatility (weighted-average)	52.34%	42.59%	45.34%
Expected life (weighted-average)	6	6	14.01
Expected dividends	0.68%	0.27%	0.17%
Risk-free interest rate (based on government bonds)	8.51%	7.90%	7.09%

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

Thomas Cook ESOP Sch GT5SEP2013	Number of options	Number of options
	31 March 2018	31 March 2017
Options outstanding as at the beginning of the year	-	51,000
Add: Options granted during the year		
Less: Options lapsed during the year		9,800
Less: Options exercised during the year		41,200
Options outstanding as at the year end		-

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Chartered Accountants

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Thomas Cook ESOP Sch GT25AUG2015	Number of options	Number of options
	31 March 2018	31 March 2016
Options outstanding as at the beginning of the year	**20,000**	62,000
Add: Options granted during the year		-
Less: Options lapsed during the year	**6,000**	40,000
Less: Options exercised during the year		2,000
Options outstanding as at the year end	**14,000**	20,000

44 Share-based payment arrangements: *(Continued)*

C. Reconciliation of outstanding share options

Thomas Cook ESOP GT07NOV2016	Number of options	Number of options
	31 March 2018	31 March 2017
Options outstanding as at the beginning of the year	**465,594**	465,594
Add: Options granted during the year	-	-
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	465,594	465,594

The amount of the employee stock option expense charged during the year is Rs. 24,620,270 (previous year Rs. 8,244,979) and Rs. 64,502,299 is the unamortised expense over the remaining vesting period

The notes from 1 to 44 form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Dhavesh Dhupelia
Partner
Membership No: 042070

New Delhi
10 May 2018

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH1961PLC012067]

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

New Delhi
10 May 2018

New Delhi
10 May 2018

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TC TOURS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **TC Tours Limited** [Formerly known as Thomas Cook Tours Limited] (the Company), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (the standalone financial statements).

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in section 133 of the Act, read with rules made thereunder and the relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards, of the state of affairs of the Company as at March 31, 2018, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit & Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;

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(e) On the basis of the written representations received from the Directors as on March 31, 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2018 from being appointed as a Director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company did not have any pending litigations which would impact its financial position in its financial statements;

   ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

   iii. There has been no amounts, which are required to be transferred to the Investor Education and Protection Fund by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Mumbai
Dated: May 21, 2018

Annexure A- referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on the standalone financial statements for the year ended March 31, 2018

i. The Company does not have any property, plant and equipment and hence provision of paragraph 3(vi) of the Order is not applicable.

ii. The Company's nature of operations does not require it to hold inventories. Consequently, paragraph 3(ii) of the Order regarding physical verification of inventories and maintenance of records is not applicable.

iii. (a) The Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Act;

(b) In our opinion, the terms and conditions on which the loans had been granted to the companies listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company;

(c) According to the information and explanations given to us, no repayment schedule have been specified in respect of such loans granted and accordingly, the question of regularity in repayment of principal amount does not arise; and

(d) There is no amount which is overdue for more than ninety days in respect of such loans.

iv. Based on audit process applied by us and according to the information and explanations given to us, in our opinion, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of investments made and loans, guarantees and securities granted, as applicable.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 and other relevant provisions of the Act and rules framed thereunder are not applicable to the Company.

We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

vi. The provisions of section 148(1) of the Act, relating to maintenance of cost records are not applicable.

vii. (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities applicable undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Goods & Services Tax, cess and other applicable statutory dues with the appropriate authorities. There are no arrears as at March 31, 2018 which were due for more than six months from the date they became payable; and

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income-Tax, Service Tax, Goods & Services Tax and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has neither raised loans from banks and financial institutions nor issued any debentures, therefore, the provisions of paragraph 3(viii) of the Order regarding default in repayment of dues to banks and financial institutions and debenture holders is not applicable to the Company.

ix. The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans. Hence, the provisions of paragraph 3(ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company by its officers and employees have been noticed or reported during the year.

xi. The Company has not paid or provided for any managerial remuneration. Hence, reporting requirements under this paragraph 3(xi) of the Order is not applicable.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In respect of transactions with related parties, the Company has complied with provisions of section 177 and 188 of the Act where applicable. Necessary disclosures relating to related party transactions have been made in the standalone financial statements as required by the applicable accounting standard.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Mumbai
Dated: May 21, 2018

Annexure B referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of TC Tours Limited (the Company) on the Standalone Financial Statements for the year ended March 31, 2018

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO.
MUMBAI
Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Mumbai
Dated: May 21, 2018

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Balance Sheet as at March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Deferred tax assets (net)	3	66.1	213.3
Total non-current assets		**66.1**	**213.3**
Current assets			
Financial assets			
- Investments	5(a)	300.0	-
- Trade receivables	5(b)	21,904.5	493.5
- Cash and cash equivalents	5(c)	7.6	15,730.7
- Loans	5(d)	1,126.3	-
- Other financial assets	5(e)	1,708.4	1,060.3
Current Tax Assets	4	273.6	-
Other current assets	6	2,304.0	1,442.6
Total current assets		**27,624.4**	**18,727.0**
TOTAL ASSETS		**27,690.5**	**18,940.3**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	300.0	300.0
Other equity			
-Reserve & surplus	8	1,339.1	722.1
Total Equity		**1,639.1**	**1,022.1**
LIABILITIES			
Non-current liabilities			
Employee Benefit Obligations	9	112.5	90.2
Other non-current liabilities	10	25.3	255.4
Total non-current liabilities		**137.8**	**345.6**
Current liabilities			
Financial liabilities			
- Borrowing	11(a)	101.8	-
- Trade payables	11(b)	23,634.0	15,515.0
- Other financial liabilities	11(c)	33.8	30.2
Employee Benefit Obligations	9	68.8	49.6
Current Tax Liabilities	4	-	106.0
Other current liabilities	12	2,075.2	1,871.8
Total current liabilities		**25,913.6**	**17,572.7**
TOTAL LIABILITIES		**26,051.4**	**17,918.2**
TOTAL EQUITY AND LIABILITIES		**27,690.5**	**18,940.3**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: May 21, 2018
Place: Mumbai

For and on behalf of the Board of Directors

R.R. Kenkare
Director
DIN: 01272743

Date: May 21, 2018
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 21, 2018
Place: Mumbai

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)

Statement of Profit And Loss for the year ended March 31, 2018

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	13	5,340.7	5,273.2
Other income	14	501.1	213.0
Total income		5,841.7	5,486.3
Expenses			
Cost of services		534.6	376.3
Employee benefits expense	15	1,710.2	1,800.0
Finance Cost	16	337.9	200.2
Other expenses	17	2,395.3	2,295.6
Total expenses		4,978.0	4,672.2
Profit before tax		863.7	814.1
Less : Tax expense	18		
Current tax		100.0	398.4
Deferred tax		144.9	(170.5)
Total tax expenses		244.9	227.9
Profit for the year (A)		618.8	586.2
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		9.7	6.9
Income tax relating to items that will not be reclassified to profit or loss		(2.2)	(2.4)
Total other comprehensive income for the year, net of taxes (B)		7.5	4.5
Total comprehensive income for the year (A+B)		626.2	590.7
Earnings per equity share (Face value of INR 10 each)	23		
- Basic earnings per share (In INR)		20.63	19.54
- Diluted earnings per share (In INR)		20.63	19.54

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: May 21, 2018
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

TC Tours Limited

For and on behalf of the Board of Directors

R.R. Kenkare
Director
DIN: 01272743

Date: May 21, 2018
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 21, 2018
Place: Mumbai

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at April 1, 2016	300.0
changes in equity share capital during the year	-
Balance as at March 31, 2017	300.0
changes in equity share capital during the year	-
Balance as at March 31, 2018	300.0

Other Equity

Particulars	Reserves and Surplus		
	ESOP Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2016	-	119.4	119.4
Profit for the year	-	586.2	586.2
Other Comprehensive Income	-	4.5	4.5
Total Comprehensive Income for the year	-	590.7	590.7
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	12.05		12.0
Balance at the March 31, 2017	12.0	710.1	722.1
Profit for the year	-	618.8	618.8
Other Comprehensive Income	-	7.5	7.5
Total Comprehensive Income for the year	-	626.2	626.2
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	(9.3)	-	(9.3)
Balance as at March 31, 2018	2.8	1,336.3	1,339.1

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For and on behalf of the Board of Directors

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: May 21, 2018
Place: Mumbai

R.R. Kenkare
Director
DIN: 01272743

Date: May 21, 2018
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 21, 2018
Place: Mumbai

TC Tours Limited

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Statement of Cash Flows for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31,2018	Year ended March 31, 2017
A) Cash flow from operating activities			
Profit before income tax		863.7	814.1
Adjustments for			
Interest Income	14	(89.3)	(26.6)
Dividend Income from Investments	14	(224.5)	(185.5)
Gains from Mutual Fund		(147.1)	
Capital contribution - ESOP	15	(9.3)	12.0
Provision for Doubtful Advances (Net)	17	(431.1)	469.6
Operating profit before changes in operating assets and liabilities		(37.6)	1,083.6
Change in operating assets and liabilities			
Decrease / (Increase) in Trade Receivables		(21,412.3)	4,375.5
(Increase) in Other Financial Assets		(648.1)	(60.7)
Decrease / (Increase) in Other Current Assets		(429.0)	87.6
Increase in Employee Benefits Obligation		51.2	25.9
(Decrease) / Increase in Trade Payables		8,119.0	(1,198.3)
Increase in Other Financial Liabilities		3.7	12.8
(Decrease) / Increase in Other Liabilities		(26.7)	(198.8)
Cash generated from operations		(14,379.8)	4,127.6
Income taxes paid		(479.6)	(335.1)
Net cash inflow from operating activities		(14,859.4)	3,792.5
B) Cash flow from investing activities:			
Interest Received		79.8	
Invesment in Subsidiaries		(300.0)	
Dividend received on Mutual Funds		224.5	185.5
Proceeds / (Investment) in Bank fixed deposits, including interest income		-	11,737.7
Loan given to subsidiary		(1,401.8)	
Repayment of loan given to subsdiary	14	285.0	
(Investment) in mutual funds		(3,71,620.0)	
Proceeds from redemption of mutual funds		3,71,767.0	
Net cash inflow / (outflow) from investing activities		(965.5)	11,923.2
Net increase in cash and cash equivalents		(15,824.9)	15,715.7
Add: Cash and cash equivalents at the beginning of the financial year		15,730.7	15.0
Cash and cash equivalents at the end of the year		(94.2)	15,730.8
Reconciliation of Cash Flow statements as per the cash flow statement		31 March 2018	31 March 2017
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		7.6	15,730.7
Bank Overdrafts		(101.8)	-
Balances as per statement of cash flows		(94.2)	15,730.7

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement of Cash flow should be read in conjunction with the accompanying notes.

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: May 21, 2018
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

R.R. Kenkare
Director
DIN: 01272743

Date: May 21, 2018
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 21, 2018
Place: Mumbai

TC Tours Limited

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Notes forming part of the Financial Statements as at and for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

General Information

TC Tours Limited (the "Company") was incorporated in the state of Maharashtra on December 26, 1989 under the Companies Act, 1956. It's main object is to inter-alia to carry on the trades or business of general passengers, tourists and transport agents and contractors. The Company is a 100% subsidiary of Thomas Cook (India) Limited.

1 Significant Accounting Policies

1.1 Basis of preparation of financial statements

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31st March, 2018.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for defined benefit plans & Investments measured at fair value.

1.2 Foreign currency translation and transactions

(a) Functional and presentation currency

A Company's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Presentation currency is the currency in which the financial statements are presented. These financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency.

(b) Transactions and balances

(i) Initial Recognition

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

(ii) Subsequent Recognition

As at the reporting date, non - monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement / conversion at the FEDAI rates are recognised in the Statement of Profit and Loss.

1.3 Revenue Recognition

Income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Incentives from airlines are accounted on the basis of tickets issued to sectors travelled. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved net off third party share, if any..

Income from tours and packages, excluding income on airline tickets sold to customers as a part of tours and packages is accounted on gross basis as the Company is determined to be the primary obligor in the arrangement i.e., the risks and responsibilities are taken by the Company including the responsibility for delivery of services.

Revenue on holiday packages is recognised on the date of departure of the tour considering that the amount is received prior to the commencement of the tour.

Revenue from Centre of Learning (COL) is recognised on proportionate basis considering the actual number of days of course completed as at the year end to the total duration of the course.

TC Tours Limited

1.4 **Other Income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

1.5 **Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any related to income tax are included in current tax expense.

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. The company offsets the current tax assets as against the liability for provision for tax.

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred Taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

1.6 **Employee Benefits**

(a) **Long-term Employee Benefits**

(i) Defined Contribution Plans

The Company has Defined Contribution Plan for post employment benefits in the form of Provident Fund which is Government administered provident fund. Under such Defined Contribution Plan, the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution Plan is charged to the Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

(b) **Short-term Employee Benefit**

As per the leave policy of the Company, employees are entitled to avail 30 days of annual leave during a calender year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calender year. Provision on actual basis is created for proportionate unutilised leaves as at year end.

TC Tours Limited

1.7 **Impairment of Assets**

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit and loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

Carrying amount of tangible assets, intangible assets and investments in subsidiaries (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

1.8 **Provisions and contingent liabilities**

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.9 **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with maturities of three months or less, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

TC Tours Limited

2 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Although the Company recognises the revenue relating to commission on net and agent basis, the trade receivables and trade payables are recognised on the gross value of services rendered and services received respectively.

2.1 Investments in Subsidiaries

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following: (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns. The Company's investments in its Subsidiaries are accounted at cost.

2.2 Financial Instruments

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, expect for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

(ii) Subsequent Measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b)**Measured at fair value through other comprehensive income** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

('c) **Measured at fair value through profit or loss:** A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset On transfer of the financial asset, the Company 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 the Company's 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.

(b) Financial liabilities

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.

TC Tours Limited

2.3 **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.4 **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.5 **Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.6 **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.7 **Current versus non-current classification**

The Company presents its assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current if it is :a) expected to be realised or intended to be sold or consumed in normal operating cycle; b) held primarily for the purpose of trading; c) expected to be realised within twelve months after the reporting period; ormonths after the reporting period.All other assets are classified as non-current.A liability is current when : a) it is expected to be settled in normal operating cycle; b) it is held primarily for the purpose of trading; c) it is due to be settled within twelve months after the reporting period; or d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current on net basis. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

2.8 **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs or decimals thereof as per the requirement of schedule III (division II), unless otherwise stated.

2.9 Previous year's figures have been regrouped/rearranged wherever necessary to confirm with current year's figures.

2 Critical Accounting Estimates and Judgements:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Information. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgements are:

Estimation of defined benefit obligation (Refer note 9)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

TC Tours Limited

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Note 3: Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities	-	-
Deferred Tax Assets		
On provisions allowable for tax purpose when paid	48.6	41.9
On Provision for Doubtful Advances	17.5	171.4
Net Deferred Tax Assets	66.1	213.3

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Total
As at April 1, 2016	-	-	-
charged/(credited)			
-to profit or loss	41.9	171.4	213.3
-to other comprehensive income	-	-	-
As at March 31, 2017	41.9	171.4	213.3
charged/(credited)			
-to profit or loss	9.4	(153.9)	-144.5
-to other comprehensive income	(2.7)	-	(2.7)
As at March 31, 2018	48.6	17.5	66.1

Note 4: Current Tax Assets/Current Tax Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	106.0	42.7
Add: Current Tax payable for the year	100.0	398.4
Less: Taxes Paid	(479.6)	(335.1)
Closing Balances - Current Tax Liabilities/(Asset)	(273.6)	106.0

* Amount is below the rounding off norm adopted by the Company.

TC Tours Limited

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Note 5: Financial Assets

5(a) Investments

Particulars	As at March 31, 2018	As at March 31, 2017
Unquoted - In subsidiaries at cost		
30,00,000 (Previous year Nil) fully paid-up Equity Shares of INR 10/- each of TC Travel and Services Limited	300.0	-

5(b) Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Trade receivables	21,905.8	493.5
Less : Allowance for doubtful debts	(1.3)	-
Total recievables	21,904.5	493.5
Break up of Security Details		
Secured, considered good	-	-
Unsecured, considered good	21,904.5	493.5
Unsecured, considered Doubtful	1.3	-
Total	21,905.8	493.5
Less : Allowance for doubtful debts	(1.3)	-
Total Trade Recievables	21,904.5	493.5

5(c) Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks :		
In current accounts	7.6	11.2
Fixed Deposits with original maturity of less than three months	-	15,716.8
Cash in hand	-	-
Cheques on hand	-	2.7
Total Cash and cash equivalents	7.6	15,730.7

5(d) Loans

Particulars	As at March 31, 2018	As at March 31, 2017
Loans to Related Parties	1,126.3	-
Loans to others	-	-
Total Loans	1,126.3	-

5(e) Other financial Assets

Particulars	Non-current March 31, 2018	Current March 31, 2018	Non-current March 31, 2017	Current March 31, 2017
Accrued Revenue	-	1,652.3	-	984.0
Advances to Related Parties	-	56.1	-	76.2
Total Other Financial Assets		1,708.4	-	1,060.2

TC Tours Limited

TC TOURS LIMITED (Formerly known as Thomas Cook Tours Limited)
Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Note 6: Other Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017
Advance to Suppliers		
Considered good	2,032.3	1,312.4
Considered Doubtful	62.9	495.3
Less: Allowance for doubtful advances	(62.9)	(495.3)
	2,032.3	1,312.4
Advance to Employees		
Considered good	8.1	0.1
Considered Doubtful	0.7	0.4
Less: Allowance for doubtful debts	(0.7)	(0.4)
	8.1	0.1
Prepaid expenses	13.6	38.6
Balances with Government authorities	250.0	91.5
Total	2,304.0	1,442.6

TC Tours Limited

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Notes to financial statements for the year ended March 31, 2018
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Note 7: Equity Share Capital

Equity Share capital

Particulars	No of Shares (In lakhs)	Amount
AUTHORISED		
As at April 1, 2016		
Increase during the year	30	300.0
As at March 31, 2017		
Increase during the year	30	300.0
As at March 31, 2018	-	-
	30	300.0

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In lakhs)	Amount
As at April 1, 2016		
Add: No of Shares issued during the year	30	300.0
As at March 31, 2017		
Add: No of Shares issued during the year	30	300.0
As at March 31, 2018	-	-
	30	300.0

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares at a par value of INR 10/- per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

(iii) Shares held by Holding Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares (In lakhs)	Amount	No of Shares (In lakhs)	Amount
Equity Shares				
Thomas cook (India) Limted and its Nominees				
	30	300.0	30	300.0

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No of shares (In lakhs)	% of Holding	No of shares (In lakhs)	% of Holding
Equity Shares				
Thomas cook (India) Limted and its Nominees	30	100%	30	100.00%

TC Tours Limited

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Note 8: Reserves and surplus

Particulars	As at March 31, 2018	As at March 31, 2017
Retained Earnings	1,336.3	710.1
ESOP Reserve	2.7	12.00
Total reserves and surplus	1,339.1	722.1

Retained Earnings

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	710.1	119.4
Net Profit for the year	618.8	586.2
Items of other Comprehensive income recognised directly in retained earnings		
Remeasurements of post-employement benefit obligtion, net of tax	7.5	4.5
Closing Balance	1,336.3	710.1

ESOP Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	12.0	-
Capital Contribution towards ESOP Expenses	(9.3)	12.0
Closing Balance	2.7	12.0

ESOP Reserve

ESOP Reserve has been created for ESOPs issued by the group company - Thomas Cook (India) Limited to the employees of the company.

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Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Note 9: Employee Benefit Obligations

Particulars	March 31, 2018			March 31, 2017		
	Non-Current	Current	Total	Non-Current	Current	Total
Leave Entitlement	-	20.5	20.5	-	10.4	10.4
Gratuity	112.5	-	112.5	90.2	9.6	99.8
Employee Benefit Payables	-	48.3	48.3	-	29.6	29.6
Total	112.5	68.8	181.3	90.2	49.6	139.8

(i)Leave Obligations - Leave Entitlement
The leave obligations cover the Company's liability for earned leave.
The amount of the provision of INR 20.5 (31 March 2017 - INR 10.4) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2018	As at March 31, 2017
Current leave obligations expected to be settled within next 12 months	20.5	10.4

(ii) Post Employment Obligations
Gratuity
The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(iii) Defined contribution Plans
The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 50.1 (31 March 2017 - INR 57.40).

Balance Sheet Amounts - Gratuity
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2016	84.64	-	84.64
Current service cost	15.6	-	15.6
Interest expense/(income)	6.41	-	6.41
Total amount recognised in profit and loss	22.0	-	22.0
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)			-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	6.72	-	6.72
Total amount recognised in other comprehensive income	-13.50	-	-13.50
Employer contributions	-6.78	-	-6.78
Benefit payments	-	-	-
March 31, 2017	99.8	-	99.8

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Notes to financial statements for the year ended March 31, 2018
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2017	99.8	-	99.8
Current service cost	15.6	-	15.6
Interest expense/(income)	6.8	-	6.8
Total amount recognised in profit and loss	22.4	-	22.4
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)		-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	5.12	-	5.12
Experience (gains)/losses	-1.01	-	-1.01
Total amount recognised in other comprehensive income	(13.8)	-	(13.8)
Employer contributions	(9.7)	-	(9.7)
Benefit payments	-	-	-
March 31, 2018	112.5	-	112.5

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Deficit of funded plan	-	-
Unfunded plans	112.5	99.8
Deficit of gratuity plan	(112.5)	(99.8)

Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	7.35%	7.15%
Salary growth rate	6.00%	6.00%

(iv) Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	March 31,2018	March 31,2017	March 31,2018	March 31,2017	March 31,2018	March 31,2017
Discount rate	50 basis point	50 basis point	-2.18%	-4.89%	2.28%	5.32%
Salary growth rate	50 basis point	50 basis point	2.30%	5.36%	-2.21%	-4.96%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(v) Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :
a) Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities.

a) Salary growth & Demographic assumptions- The plan liabilities are calculated using the salary escalation and demographic assumptions which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

TC Tours Limited

(All amounts in INR Lakhs, unless otherwise stated)

(vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 4.45 years (2017 - 10.20 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Post Employment Obligations as at March 31, 2018	23.5	19.7	49.1	74.8	167.4
Post Employment Obligations as at March 31, 2017	9.6	5.8	29.4	209.8	254.4

TC Tours Limited

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Notes to financial statements for the year ended March 31, 2018
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Note 10: Other Non-Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Income Received In Advance	25.3	255.4
Total	25.3	255.4

Note 11: Financial Liabilities

11(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	As at March 31, 2018	As at March 31, 2017
Unsecured					
Bank Overdrafts	Payable on Demand		9.1%	101.8	-

Note 11(b): Trade Payables

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises *	23,634.0	15,515.0
Total Trade Payables	23,634.0	15,515.0

* includes Book Overdraft of INR Nil (March 31, 2017: INR 61.6)

Note: There are no delayed payments to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Further, there are no dues to such parties which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the company. This has been relied upon by the auditors.

Note 11(c): Other Financial Liablities

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
Advance from Related Party	-	33.8	-	30.2
Total Other Financial Liablities	-	33.8	-	30.2

Note 12: Other Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Income Received In Advance	1,759.7	1,769.7
Statutory Dues	315.5	102.1
Total	2,075.2	1,871.8

TC Tours Limited

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Notes to financial statements for the year ended March 31, 2018
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Note 13: Revenue from Operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Services	5,054.3	4,931.2
Other Operating Revenue		
-Revenue from Centre of Learning	286.4	342.0
Total	5,340.7	5,273.2

Note 14: Other Income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on Bank Deposits	44.2	26.6
Interest Income on Loan Given	45.2	-
Dividend Income from Mutual Fund Investments	224.5	185.5
Gains from Mutual Fund	167.1	-
Claims Written back	10.4	-
Miscellaneous Income	9.7	0.9
Total	501.1	213.0

Note 15: Employee Benefit Expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries Wages and Bonus	1,624.8	1,669.5
Contribution to Provident and Other Funds	50.1	57.4
Gratuity (Refer note 9)	22.4	22.0
Employees Stock Option Scheme*	-9.3	12.0
Staff Welfare Expenses	32.2	39.1
Total	1,710.2	1,800.0

*ESOP reversal on account of ESOP cancelled.

Note 16: Finance Costs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Bank Overdraft	11.8	5.8
Other Finance Charges	321.9	175.5
Interest on shortfall of Advance tax	4.2	18.9
Total	337.9	200.2

* Amount is below the rounding off norm adopted by the Company.

Note 17: Other Expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent (Refer note 26)	126.2	180.7
Electricity	29.6	42.4
Repairs and Maintenance	172.8	226.1
Insurance	-	0.6
Rates and Taxes	8.9	15.0
Security Services	101.6	85.0
Travelling Expenses	27.8	64.3
Legal and Professional Charges #(Refer note below "a")	994.3	984.2
Printing, Stationery and Communication Cost	77.3	128.5
Airline Inventory Loss	687.7	469.6
Advertisment Expenses	44.6	8.8
CSR Expenses (Refer note below "b")	6.6	-
Miscellaneous Expenses	117.9	90.4
Total	2,395.3	2,295.6

\# Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Payment to auditors		
As auditor:		
-Statutory Audit	8.5	2.5
-Tax Audit	1.5	2.5
In other capacities		
-Re-imbursement of expenses		0.1
Total payments to auditors	10.0	5.1

(b): Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Gross amount required to be spent by the Company during the year	6.6	NA
(b) Amount spent and paid during the year on		
(1) Eradicating Hunger, Poverty & Malnutrition, Promoting Health-Care Including Preventive Health-Care And Sanitation	6.6	

TC Tours Limited

(All amounts in INR Lakhs, unless otherwise stated)

Note 19: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 20: Financial risk management

(i) Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for payments that are 365 days past due as it represents its estimate of expected credit loss in respect of trade and other receivables. The Company does not have any financial assets, other than receivables from group entities, that are 365 days past due but not impaired.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers including group entities is as follows:

		As at March 31, 2018	As at March 31, 2017
Neither past due nor impaired		-	-
Past due but not impaired		-	-
Past due 1–90 days		14,417.9	469.0
Past due 91–180 days		4,257.1	24.0
Past due 180–365 days		1,518.9	
Past due > 365 days		1,711.9	
		21,905.8	493.0

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2016	-
Changes in loss allowance	-
Loss allowance on March 31, 2017	-
Changes in loss allowance	(1.3)
Loss allowance on March 31, 2018	**1.3**

Expected credit loss assessment for customers as at March 31, 2017 and March 31, 2018

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As company's customer is mainly its holding company and few corporate customers (for whom based on information available in the public domain about there credibility/financial performance no impairment indicator exist) hence impairment of trade receivables do not reflect any significant credit losses. Considering the duration of the operations and given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of INR 7.6 and INR 15,730.7as at March 31, 2018 and March 31, 2017 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, 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 risk to the Company's reputation.

The Company had working capital of INR 1710.8 as at March 31, 2018 and 1,154.4 as at March 31, 2017.

TC Tours Limited

(All amounts in INR Lakhs, unless otherwise stated)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated

March 31, 2018	Carrying amount	Contractual cash flows				
		Total	1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	23,634.0	23,634.0	23,634.0	-	-	-
Other financial liabilities	33.8	33.8	33.8	-	-	-
Total	**23,667.8**	**23,667.8**	**23,667.8**	-	-	-

March 31, 2017	Carrying amount	Contractual cash flows				
		Total	1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	15,515.0	15,515.0	15,515.0	-	-	-
Other financial liabilities	30.2	30.2	30.2	-	-	-
Total	**15,545.1**	**15,545.1**	**15,545.1**	-	-	-

(iv) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is not exposed to any market risk-sensitive financial instruments, foreign curreny risk and interest rate risk since it does not have any investments in securities, foreign currency receivables and payables or debts.

Note 21: Capital management

The Company's objective for Capital management is to maximise shareholder's value and support the strategic objectives of the Company. The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows.

TC Tours Limited

(All amounts in INR Lakhs, unless otherwise stated)

Note 22: Related Party Transactions

(a) Parent Entities

The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at March 31, 2018	As at March 31, 2017
Fairfax Financial Holdings Limited	Ultimate Holding	Canada		
Thomas Cook (India) Limited, India ("TCIL") and its nominees	Parent entity	India	100%	100%

(b) Name of the related party and related party relationship

Name of Entity	Place of Business/ country of incorporation	Relationship
Fairfax Financial Holdings Limited	Canada	Ultimate Holding
Thomas Cook (India) Limited, India ("TCIL") and its nominees	India	Parent entity
TC Travel and Services Limited	India	Subsidiary
Travel Corporation (India) Limited	India	Fellow Subsidiary
SOTC Travel LTD	India	Fellow Subsidiary
Quess Corp Limited (Till 28th February 2018)	India	Fellow Subsidiary

(c) Key Management personnel

Particulars
Debasis Nandy
R.R. Kenkare
Abraham Alapatt

(d) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	March 31, 2018	March 31, 2017
(i) Holding Company		
Reimbursement of Expenses (Net)		
Fairfax Financial Holdings Limited	21.3	-
Facilities and Support Services Availed		
Thomas Cook (India) Limited	641.0	619.5
Sale of Services		
Thomas Cook (India) Limited	1,55,226.9	1,54,779.0
Corporate Gurantee fees		
Thomas Cook (India) Limited	2.6	-
ESOP Share Issue Push Down Cost		
Thomas Cook (India) Limited	(9.3)	12
(ii) Fellow subsidiaries		
Reimbursement of Expenses (Net)		
Travel Corporation (India) Limited	35.0	31.5
Other Professional Chagres (Outsourced Staff)		
Quess Corp Limited	341.2	447.8
Interest received on loan given		-
TC Travel and Services Ltd	45.2	
Loan Given		-
TC Travel and Services Ltd	1,401.8	
Repayment of Loan		-
TC Travel and Services Ltd	285.0	
Sale of Services		
Travel Corporation (India) Limited	-	35.1

TC Tours Limited

(c) Outstanding balances arising from sale and purchase of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	March 31, 2018	March 31, 2017
Outstanding payables		
Thomas Cook (India) Limited	1,971.3	30.2
Quess Corp Limited	29.09	4.7
Total payables to related parties	**2,000.4**	**34.9**

Particulars	March 31, 2018	March 31, 2017
Advances to Related Parties		
Travel Corporation (India) Limited	33.6	161.1
Fairfax Financial Holdings Limited	15.1	
SOTC	6.8	
Loan Given to Related parties		
TC Travel and Services Ltd	1,126.3	
Outstanding receivables		
Thomas Cook India Ltd	21,562.1	
Total receivables from related parties	**22,743.8**	**161.1**

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Notes to financial statements for the year ended March 31, 2018
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Note 23: Earnings Per Share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit attributable to equity shareholders	618.8	586.2
Weighted average number of outstanding shares	30	30
(a) Basic earnings per share		
Attributable to the equity holder of the company		
	20.63	19.54
(b) Diluted earnings per share		
Attributable to the equity holder of the company	20.63	19.54

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2018	March 31, 2017
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	618.8	586.2
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	618.8	586.2

(d) Weighted average number of shares used as the denominator

Particulars	March 31, 2018	March 31, 2017
Weighted average number of equity shares used as the denominator in calculating basic earning per share	30	30
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	30	30

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Note 25: Operating Leases
The company has taken offices premise on operating lease. The lease agreement have varying terms, escalation clause and renewal rights. On renewal, the terms of the lease is renegotiated. Lease payment recognised in the Statement of Profit and Loss is INR 180.7 (March 31, 2017: INR 126.2).

Note 26: The Company has entered in to an ammendment agreement dated 15th March 2018 with Thomas Cook India LTD, the holding company, whereby the Company has agreed to share PLB commission based on market practice with effect from April 1, 2017. Revenue is net of such commission.

Note 27: Segment Information
Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM), comprises of Director and Senior management, evaluates the Company's performance and reviews the segment business. The Company is primarily engaged in a single segment business of 'Travel related services'. All assets of the Company are domiciled in India and the Company earns entire revenue from its operations in India.

Note 28: Recent Accounting Pronouncements
Standards issued but not yet effective:
1. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company is evaluating the impact of this amendment on its financial statements.

2. Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)
The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the impact of this new Standard on its financial statements.

Signatures to Notes 1 to 28 form an integral part of the financial statements.

As per our report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number 104767W

Atul Shah
Partner
Membership No. 39569

Date: May 21, 2018
Place: Mumbai

For and on behalf of the Board of Directors

R.R. Kenkare
Director
DIN: 01272743

Date: May 21, 2018
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 21, 2018
Place: Mumbai

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
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Independent Auditor's Report

To The Members of SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of SOTC Travel Limited, (formerly known as SOTC Travel Private Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai-400011. India
Chartered Accountants

B S R & Co (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability, Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011. India

Independent Auditor's Report *(Continued)*

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Auditor's Responsibility *(Continued)*

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, its financial performance (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The Ind AS financial statements of the Company for the corresponding year ended 31 March 2017 included in these Ind AS financial statements, have been audited by the predecessor auditors whose audit report dated 17 May 2017 expressed an unmodified opinion on those audited Ind AS financial statements.

B S R & Co. LLP
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Chartered Accountants

Independent Auditor's Report *(Continued)*

SOTC Travel Limited
(formerly known as SOTC Travel Private Limited)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 29 to the Ind AS financial statements.

      ii. the Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

      iii. there were no amounts which were required to be transferred to Investors Education and Protection Fund by the Company.

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Chartered Accountants

Independent Auditor's Report *(Continued)*

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Report on Other Legal and Regulatory Requirements *(Continued)*

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2018

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Annexure A to the Independent Auditor's Report – 31 March 2018

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of two years. In accordance with this programme, a portion of the property, plant and equipment have been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held by the Company. Accordingly, paragraph (3) (i) (c) of the Order is not applicable.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noted on such verification.

(iii) In our opinion and according to the information and explanations give to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3 (iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act with respect to guarantees given. Further there is no loan given, investment made or security given in respect of which provisions of section 185 and 186 of the Act are applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148 of the Act for any of the goods sold and services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of the undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Professional tax, Service tax, Goods and Service Tax, and other material statutory dues, as applicable, have been generally regularly deposited during the year by the Company with the appropriate authorities in all cases during the year. As explained to us, the Company did not have any dues on account of Excise Duty, Custom Duty and Cess.

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According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Service tax, Goods and Service Tax, and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Provident fund, Employees' State Insurance, Income tax, Service tax and Goods and Service Tax, which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Nature of Statute	Nature of Dues	Amount Demanded	Amount deposited under Disputes	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax demand including penalty	8,111,575	608,368	2008-2013	CESTAT
The Finance Act, 1994	Service tax demand including penalty	6,406,240	480,468	2006-2010	CESTAT
The Finance Act, 1994	Service tax demand including penalty	70,304,341	5,272,825	2006-2009	CESTAT
The Finance Act, 1994	Service tax demand including penalty	41,654,434	-	2006-2011	CESTAT
The Finance Act, 1994	Service tax demand including penalty	11,226,927	-	2011-12	CESTAT
The Finance Act, 1994	Service tax demand including penalty	56,661,363	-	2012-13	CESTAT
The Finance Act, 1994	Service tax demand including penalty	59,784,075	-	2013-14	CESTAT
The Finance Act, 1994	Service tax demand including penalty	71,187,591	-	2014-15	CESTAT

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to its banks and financial institutions. The Company did not have any loans or borrowings from government or dues to debenture holders during the year.

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Chartered Accountants

(ix) In our opinion and according to the information and explanations give to us, the Company has utilized the money raised by way of term loans for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the Ind AS financial statements as required by the applicable Ind AS.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 15 May 2018

Annexure B to the Independent Auditor's Report – 31 March 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of SOTC Travel Limited (formerly known as SOTC Travel Private Limited) ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai-400011. India
Chartered Accountants

Annexure B to the Independent Auditors' Report – 31 March 2018 *(Continued)*

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No. 042070

Mumbai
15 May 2018

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Standalone Balance Sheet

as at 31 March 2018

(Currency : Indian rupees)

	Notes	As at 31 March 2018 Amount	As at 31 March 2017 Amount
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	32,838,171	-
(b) Goodwill	2.1	26,849,634	-
(c) Other intangible assets	2.1	15,765,064	-
(d) Financial assets			-
(i) Invesments	3	884,927,765	-
(ii) Other financial assets	4	53,298,593	-
(e) Deferred tax assets (net)	5	95,420,163	-
(f) Income tax assets	6	186,174,610	-
Total non-current assets		1,295,274,000	-
(2) Current assets			
(a) Financial assets			
(i) Investments	7	220,570,932	-
(ii) Trade receivables	8	1,442,977,042	-
(iii) Cash and cash equivalents	9	479,463,343	964,281
(iv) Bank balances other than cash and cash equivalents	10	22,078,701	45,000
(v) Other financial assets	11	348,858,964	2,568
(b) Other current assets	12	2,199,561,584	-
Total current assets		4,713,510,566	1,011,849
TOTAL ASSETS		6,008,784,566	1,011,849
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	100,000	100,000
(b) Other equity	14		
(i) Optionally convertible non -cumulative redeemable preference shares		1,000,000,000	-
(ii) Retained earnings		112,049,206	(66,151)
(iii) Capital reserves		63,804,234	-
(iv) Other comprehensive income		1,561,569	-
(v) Empolyee share option outstanding account		22,681,814	-
Total equity		1,200,196,823	33,849
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	270,000,000	-
Total non-current liabilities		270,000,000	-
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
Due to micro, small and medium enterprises	16	-	-
Due to others	16	2,116,439,521	6,900
(ii) Other financial liabilities	17	295,548,304	-
(b) Income tax liabilities	18	21,746,896	-
(c) Other current liabilities	19	2,077,500,531	971,100
(d) Provisions	20	27,352,491	-
Total current liabilities		4,538,587,743	978,000
TOTAL EQUITY AND LIABILITIES		6,008,784,566	1,011,849
Significant accounting policies	1B		
Notes to the financial statements	2-44		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2018

For and on behalf of the Board of Directors of SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN No. 00008542]

Vishal Suri
Managing Director
[DIN No: 06413771]

Nitin Menon
Chief Financial Officer

Kiran Agrawal
Company Secretary
[ACS No: 13188]

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Statement of profit and loss

for the year ended 31 March 2018

(Currency : Indian rupees)

	Notes	For the year ended 31 March 2018 Amount	For the year ended 31 March 2017 Amount
(1) Revenue			
(a) Revenue from operations	21	11,304,063,727	-
(b) Other income	22	59,288,712	5,226
Total income		11,363,352,439	5,226
(2) Expenses			
(a) Cost of tours		9,372,711,906	-
(b) Changes in inventories	23	1,496,185	-
(c) Employee benefits expense	24	898,200,843	-
(d) Finance costs	25	52,741,570	-
(e) Depreciation and amortization expenses	2	35,289,866	-
(f) Other expenses	26	925,378,142	56,744
Total expenses		11,285,818,512	56,744
(3) Profit/(loss) before tax		77,533,927	(51,518)
(4) Tax expense:			
(a) Current tax	5	21,746,896	-
(b) Deferred tax credit (incl. MAT credit entitlement)	5	(43,796,607)	-
(5) Profit after tax		99,583,638	(51,518)
(6) Other comprehensive income (OCI)			
Items that will not be reclassified to profit or (loss)			
(i) Remeasurements of defined benefit liability (asset)		810,476	-
(ii) Income tax expense on remeasurements of defined benefit liability		(280,507)	-
Other comprehensive income (net of income tax) (i-ii)		529,969	-
(7) Total comprehensive income for the year		100,113,607	(51,518)
(8) Earnings/(Loss) per equity share (Face value of Rs. 10 each)			
(i) Basic	27	9,958.36	(5.15)
(ii) Diluted	27	1.00	(5.15)

Significant accounting policies	*1B*	
Notes to the financial statements	*2-44*	

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2018

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN No. 00008542]

Vishal Suri
Managing Director
[DIN No: 06413771]

Nitin Menon
Chief Financial Officer

Kiran Agrawal
Company Secretary
[ACS No: 13188]

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Statement of cash flows

for the year ended 31 March 2018

(Currency : Indian rupees)

	Notes	**For the year ended 31 March 2018 Amount**	For the year ended 31 March 2017 Amount
Cash flow from operating activities			
Profit before tax for the current period		77,533,927	(51,518)
Adjustments for:			
Loss before tax for 1 July 2016 to 31 March 2017 (refer note 30)		(42,091,353)	-
Adjustment for non cash items pertaining to 1 July 2016 to 31 March 2017		(59,049,264)	-
Depreciation of property, plant and equipment		19,910,317	-
Amortisation of intangible assets		15,379,548	-
Loss on sale of property, plant and equipment		246,083	-
Share-based payment expense		15,484,227	-
Unclaimed credit balances no longer required, written back		(202,028,521)	-
Bad debts and advances written off		2,987,818	-
Provision for doubtful debts, advances and deposits (net)		17,770,857	-
Profit on redemption of units of mutual funds		(41,070,017)	-
Interest income - others		(493,639)	-
Interest income on fixed deposits and investments		(10,989,618)	(5,227)
Interest expenses		52,741,570	-
		(153,668,065)	(56,745)
Working capital adjustments			
Decrease in inventories		1,185,815	-
(Increase)/ decrease in trade and other receivables		(226,345,821)	971,131
Decrease in derivative assets		412,163	-
Increase in loans and advances		(130,096,017)	-
Increase in trade payables, other financial liabilities and current liabilities		634,624,122	-
Decrease in provisions and employee benefits		(16,305,937)	-
		109,806,260	914,386
Income tax paid		(183,455,601)	-
Net cash flows from operating activities		**(73,649,341)**	914,386
Cash flow from investing activities			
Payment for purchase of property, plant and equipment		(41,056,837)	-
Payment for purchase of intangible assets		(16,153,129)	-
Acquisition of subsidiary (net of cash acquired)		(884,927,765)	-
Sale of subsidiary		100,000	-
Proceeds from sale of property, plant and equipment & intangible		1,036,167	-
Interest received		18,324,084	7,890
Purchase of units of mutual funds, net		(150,733,643)	-
(Investment in) / Redemption of Fixed deposits during the year, (net)		(19,089,560)	35,000
Net cash flows from investing activities		**(1,092,500,683)**	42,890
Cash flow from financing activities			
Proceeds from borrowings		540,000,000	-
Repayments of borrowings		(90,000,000)	-
Interest paid		(70,419,735)	-
Net cash flows from financing activities		**379,580,265**	-
Net increase / (decrease) in cash and cash equivalents		(786,569,759)	957,276
Cash and cash equivalents at the beginning of the year		964,281	7,005
Cash and cash equivalents acquired under composite scheme of arrangement and amalgamation [refer Note 30]		1,248,875,187	-
Cash and cash equivalents at the end of the year		**463,269,709**	**964,281**

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Chartered Accountants

SOTC TRAVEL LIMITED
Formerly SOTC Travel Private Limited

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Statement of cash flows *(Continued)*

for the year ended 31 March 2018

(Currency : Indian rupees)

	Notes	**For the year ended 31 March 2018 Amount**	For the year ended 31 March 2017 Amount
Reconciliation of Cash and Cash equivalents with the balance sheet			
Cash and Bank Balances as per balance sheet		463,269,709	964,281
Cash and Cash equivalents as restated as at the year end		**463,269,709**	964,281
Note:			
Components of cash and cash equivalents consists of:			
Cash on hand		3,918,907	-
Balance with banks			
Current Account		475,544,436	964,281
Less: Book Overdraft		(16,193,634)	-
		463,269,709	964,281

Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities

	Notes	**For the year ended Amount**	For the year ended Amount
Opening Term Loan from bank		-	-
Proceeds from borrowings		540,000,000	-
Repayments of borrowings		(90,000,000)	-
Closing Term Loan from bank	15, 17	**450,000,000**	-

Notes:

1. The above statement of cash flow has been prepared under the 'Indirect method' as set out in the Indian Accounting Standard (IND AS) 7 - "Cash Flow Statements".
2. The above statement of cash flow has been prepared after adjusting the balances as on 1 July 2016 acquired under Scheme of Arrangement and Amalagamation (as described in Note 30), accordingly the cash flow is for the period 1 July 2016 to 31 March 2018.

	Notes
Significant accounting policies	*1B*
Notes to the financial statements	*2-44*

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN: U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN No. 00008542]

Vishal Suri
Managing Director
[DIN No: 06413771]

Nitin Menon
Chief Financial Officer

Kiran Agrawal
Company Secretary
[ACS No: 13188]

Mumbai
15 May 2018

SOTC Travel Limited
(formerly known as SOTC Travel Private Limited)

Statement of changes in equity (SOCIE)
for the year ended 31 March 2018

(Currency : Indian rupees)

(a) Equity share capital

Particulars	Notes	For the year ended 31 March 2018 No. of Shares	For the year ended 31 March 2018 Amount	For the year ended 31 March 2017 No. of Shares	For the year ended 31 March 2017 Amount
At the commencement of the year		10,000	100,000	10,000	100,000
Changes in Equity Share Capital during the year		-	-	-	-
At the end of the year		10,000	100,000	10,000	100,000

(b) Other Equity

Particulars	Retained earnings	Non-Cumulative Optionally Convertible Redeemable Preference Shares [refer Note 30]	Employee share option outstanding [refer Note 37]	Capital reserves [refer Note 30]	Other comprehensive income (Remeasurements of the net defined benefit plans)	Total attributable to equity shareholders
Balance at 1 April 2016	(14,633)	-	-	-	-	(14,633)
Loss for the year	(51,518)	-				(51,518)
Balance at 31 March 2017	(66,151)	-	-	-	-	(66,151)
Issued during the year	-	1,000,000,000		-		1,000,000,000
Capital reserve arising out of amalgamation [refer note 30]	-	-	-	63,804,234	-	63,804,234
Reserve on amalgamation [refer note 30]	12,531,719		7,197,587		1,031,600	20,760,906
Profit for the year	99,583,638	-	-	-	-	99,583,638
Other comprehensive income for the year (net of tax)	-	-	-	-	529,969	529,969
Share-based payments [refer Note 37]		-	15,484,227	-	-	15,484,227
Total comprehensive income for the year	112,115,357	1,000,000,000	22,681,814	63,804,234	1,561,569	1,200,162,974
Balance at 31 March 2018	112,049,206	1,000,000,000	22,681,814	63,804,234	1,561,569	1,200,096,823

Significant accounting policies *1B*
Notes to the financial statements *2-44*
The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2018

For and on behalf of the Board of Directors of SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
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Nitin Menon
Chief Financial Officer

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Company Secretary
[ACS No: 13188]

SOTC Travel Limited

(formerly known as SOTC Travel Private Limited)

Notes to the financial statements

as at 31 March 2018

Note 1

1A Company overview

SOTC Travel Limited ('the Company') formerly known as SOTC Travel Private Limited is public limited Company incorporated and domiciled in India. The Company is engaged in diversified travel and travel related businesses, working as travel agent and tour operator.

The financial statements were authorised for issue in accordance with the resolution of directors on 15 May, 2018.

1B Significant accounting policies

1B.1 *Basis of preparation of financial statements*

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements have been prepared on accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including mutual fund investments) that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value;
- Share-based payments measured at fair value

The financial statements are presented in Indian Rupees ('INR') or ('Rs') which is also the Company's functional currency and all values are rounded off to neareast rupee, except otherwise indicated.

1B.2 *Use of estimates*

The preparation of financial statements in accordance with generally accepted accounting principles ('GAAP') in India requires that management makes judgment, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of facts and circumstances as at the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes

Note 21 - Determination of whether a particular service is rendered in the capacity of a principal or agent

Note 28 - Determining the amount of expected credit loss on financial assets (including trade receivables)

Note 38 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the finanicial statement is included in the following notes:

Note 2 - Estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment and intangible assets.

Note 5 - Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 36 - Measurement of defined benefit obligations: key actuarial assumptions;

Note 4, 8, 11, 12 and 20 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Note 28 - Impairment of financial assets

Note 2 - Impairment of non financial assets

1B.3 *Current / non-current classification*

All assets and liabilities are classified into current and non-current:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

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1B Significant accounting policies (Continued)

1B.3 *Current / non-current classification (Continued)*

Liabilities
A liability is classified as current when it satisfies any of the following criteria:
a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle:
Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

1B.4 *Property, Plant and Equipments*

Measurement at recognition:
Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. 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. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the Statement of Profit and Loss.

Depreciation:
Depreciation is provided pro-rata to the period of use, under the straight line method, over the estimated useful lives of the assets. The estimate of the useful life of the Furniture and fixtures has been assessed based on its nature, usage, expected physical wear and tear, the operating conditions, manufacturers warranties and maintenance support, etc.
In respect of all other assets the Company believe that the existing useful life represents the best useful estimated lives of the assets and are at the rates which corresponds to the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets	**Estimated useful life (in years)**
Furniture and fixtures	5
Office equipments (including air conditioners)	3
Commercial vehicles	5
Personal computers	3
Computer hardware	5

Leasehold Improvements are amortised over the period of the lease or useful life of the asset whichever is lower.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. 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 immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

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SOTC TRAVEL LIMITED
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1B Significant accounting policies (Continued)

1B.5 *Intangible assets*

Measurement at recognition:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

(i) Goodwill

Goodwill acquired on business combination is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Other intangible assets

Intangible assets, including computer software are measured on initial recognition at cost. Following initial recognition, intangible asstes are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortisation methods and periods:

Assets	Estimated useful Life (in years)
Software (including software - internally generated / developed)	5

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

1B.6 *Impairment of assets*

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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SOTC Travel Limited

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Notes to the financial statements

as at 31 March 2018

1B Significant accounting policies (Continued)

1B.7 *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one of the entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument

Financial assets:

Classification and recognition

- *Financial assets at amortised cost*

Financial assets are measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from those financial asset is included as a part of the company's income in the Statement of Profit & Loss using the effective interest rate method.

- *Financial assets at fair value through profit or loss*

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

- *Financial assets at fair value through other comprehensive income*

Financial assets are measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets and the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

- *Investment in subsidiary*

Investment in subsidiaries are measured at cost less impairment.

De-recognition

A financial asset is derecognized when the right to receive the contractual cash flow is expired or cancelled or the nature of such assets changes that it is no longer a financial instrument.

Impairment of financial assets :

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities:

Classification and recognition

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, bank overdrafts and derivative financial instruments.

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SOTC TRAVEL LIMITED Formerly SOTC Travel Private Limited

1B Significant accounting policies (Continued)

1B.7 *Financial instruments (Continued)*

Financial liabilities *(Continued)*

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 the statement of profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss account.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

Equity instruments :

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

1B.8 *Inventories:*

Inventories which comprise stock-in-trade are carried at the lower of cost and net realisable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost method ('WAM') basis. Net realisable value is the estimated selling price in the ordinary course of business and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

1B.9 *Provisions and Contingent liabilities :*

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

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1B Significant accounting policies (Continued)

1B.9 *Provisions and Contingent liabilities (Continued)*

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed, unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1B.10 *Revenue recognition*

The entity provides travel products and services to leisure and corporate travellers in India and abroad. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and taxes.

The entity recognises revenue when significant risk and rewards are transferred to the customer, the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as described below. The entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifi cs of each arrangement.

Income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved.

Revenue on holiday packages is recognised on the date of departure of tour.

Income from tours and packages, excluding income on airline tickets sold to customers as a part of tours and packages is accounted on gross basis as the Company is determined to be the primary obligor in the arrangement i.e., the risks and responsibilities are taken by the Company including the responsibility for delivery of services.

1B.11 *Cost recognition*

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-contractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

1B.12 *Leases*

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

1B.13 *Business combination*

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is accumulated in equity as capital reserve.

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1B ***Significant accounting policies (Continued)***

1B.14 *Cash and Cash Equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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, and bank overdrafts.

To be classified as cash and cash equivalents, the financial asset must:
- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1B.15 *Employee benefits :*

(a) Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, e.g. salaries, short term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount can be estimated reliably.

(b) Post-employment benefits:

Defined contribution plan :

The Company's provident fund contribution paid / payable under the recognised provident fund scheme and the employees' state insurance contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan :

Gratuity :

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. These benefits are discounted to determine its present value, and the fair value of any plan assets is deducted therefrom.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation by an independent actuary at each balance sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligations under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date. When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Re-measurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any) are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset) taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit and loss.

(c) Compensated absences :

As per the leave policy of the company employees are entitled to avail 30 days of leave during a calendar year, any carry forward or encashment of the unutilized leave balance is not allowed. At reporting date, liability pertaing to compensated absences is calculated based on total leave balances of each empolyee.

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1B ***Significant accounting policies (Continued)***

1B.15 *Employee benefits (Continued)*

(d) Employee stock options :

The grant-date fair value of share-based payment awards – i.e. stock options – granted to employees is recognised as personnel expenses, with a corresponding increase in equity, over the period in which the employees become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

1B.16 *Foreign currency transactions :*

Foreign currency transactions are recorded into Indian rupee using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates prevailing on the balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited / charged to the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of the transactions. Non-monetary foreign currency items are carried at historical cost. A foreign currency monetary item is classified as long-term if it has original maturity of one year or more.

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1B.17 *Income taxes:*

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

Current income tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax:

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company's is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company's expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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1B ***Significant accounting policies (Continued)***

1B.17 *Taxation (Continued)*

Deferred tax *(Continued)*

Defered tax assets include Minimum Alternate Tax (MAT) paid in accordance with applicable tax laws, which is likely to give future economic benefit in th form of availability of set off against future income tax liability. Accordingly MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

1B.18 *Earnings per share ('EPS') :*

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

1B.19 *Recent Accounting Pronouncements :*

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115	Revenue from Contracts with customers

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 – Revenue, Ind AS 11 – Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company is evaluating the impact of this amendment on its financial statements.

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Note 5

Income taxes (Continued)

C. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	Balance as on 31 March 2017	Additions purusant composite scheme of arrangement and amalgamation (Refer note 30)	Recognised in profit or loss	Recognised in OCI	Net Balance as on 31 March 2018
Deferred tax asset/(liabilities)					
Property, plant and equipment	-	4,612,192	(5,860,521)	-	(1,248,329)
Employee benefits	-	5,774,863	25,028,931	(280,506)	30,523,288
MAT credit entitlement	-	-	16,034,951	-	16,034,951
Provisions	-	38,589,130	7,731,205	-	46,320,335
Other items	-	2,927,878	862,040	-	3,789,918
Deferred tax assets /(liabilities)	-	51,904,063	43,796,606	(280,506)	95,420,163

	31 March 2018 Amount	31 March 2017 Amount
D. Deferred tax reflected in balance sheet as follows:		
Deferred tax assets	96,668,492	-
Deferred tax liabilities	(1,248,329)	-
Deferred tax assets (net)	95,420,163	-
Note 6		
Other tax asset		
Advance tax	186,174,610	-
	186,174,610	-
Note 7		
Current Investments		
Investments in mutual funds (quoted)		
(Carried at fair value through profit or loss)		
11,874.757 (31 March 2017: Nil) units of IDFC Cash Fund-Growth Option-Direct Plan at Rs 2,110.21 each (31 March 2017: Nil)	25,058,226	-
12,616.12 (31 March 2017: Nil) units of L&T Liquid Fund - Growth Option - Direct Plan at Rs 2,382.87 each (31 March 2017: Rs Nil)	30,062,633	-
14,728.25 (31 March 2017: Nil) units of SBI Premier Liquid Fund - Growth Option - Direct Plan at Rs 2,724.39 each (31 March 2017: Rs Nil)	40,125,546	-
15,603.29 (31 March 2017: Nil) units of Axis Liquid Fund - Growth Option - Direct Plan at Rs 1,927.53 each (31 March 2017: Rs Nil)	30,075,822	-
10,236.17 (31 March 2017: Nil) units of HDFC Liquid Fund - Growth Plan - Direct Plan at Rs 3,423.88 each (31 March 2017: Rs Nil)	35,047,412	-
20,939.22 (31 March 2017: Nil) units of Invesco India Liquid Fund at Rs 2,238.708 each (31 March 2017: Nil)	50,088,044	-
4,069.19 (31 March 2017: Nil) units of DSP BlackRock Liquidity Fund Direct Plan Growth at Rs 2,485.32 (31 March 2017: Nil)	10,113,249	-
	220,570,932	-
Notes:		
Aggregate amount of quoted investments and market value thereof	220,570,932	-
Note 8		
Trade receivables		
Unsecured		
Considered good	1,442,977,042	-
Considered doubtful	80,235,315	-
	1,523,212,357	
Less :- Provision for doubtful debts	(80,235,315)	-
	1,442,977,042	-
Trade and other receivables includes :		
Dues from related party (refer note 39)	77,652,527	-

(Currency : Indian rupees)

	31 March 2018 Amount	31 March 2017 Amount
Note 9		
Cash and cash equivalents		
Balance with banks :		
in current account	475,544,436	964,281
Cash on hand	3,918,907	-
	479,463,343	964,281
Note 10		
Bank Balances other than cash and cash equivalents		
Short term deposits	22,078,701	45,000
	22,078,701	45,000

Deposit balances (including those disclosed under other financial assets (non-current) in Note 4) include fixed deposits under lien aggregating to Rs 25,431,651 (31 March 2017: Rs Nil).

	31 March 2018 Amount	31 March 2017 Amount
Note 11		
Other financial assets (current)		
(Unsecured)		
Security deposits		
Considered good	149,064,846	-
Considered doubtful	13,591,590	-
	162,656,436	-
Less: Provision for doubtful deposits	(13,591,590)	-
	149,064,846	-
Other receivables		
Considered good	184,331,619	-
Considered doubtful	33,262,382	-
	217,594,001	-
Less: Provision for doubtful other receivables	(33,262,382)	-
	184,331,619	-
Unbilled revenue	15,170,735	-
Interest accrued but not due on fixed deposits with banks	291,764	2,568
	348,858,964	2,568
Note 12		
Other current assets		
Prepaid expenses	5,284,554	-
Balances with government Authorities	82,661,732	-
Advance to vendors		-
Considered good	2,083,621,015	-
Considered doubtful	1,721,952	-
	2,085,342,967	-
Less: provision for doubtful advances to vendors	(1,721,952)	-
	2,083,621,015	-
Staff advance		
Considered good	27,994,283	-
Considered doubtful	3,953,881	-
	31,948,164	-
Less: provision for doubtful staff advance	(3,953,881)	-
	27,994,283	-
	2,199,561,584	-
Note 13		
Equity share capital		
Authorised :		
10,000 (31 March 2017: 10,000) equity shares of Rs 10 each.	100,000	100,000
Issued and subscribed and fully paid up:		
10,000 (31 March 2017: 10,000) equity shares of Rs 10 each, fully paid-up.	100,000	100,000
	100,000	100,000

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	31 March 2018 Amount	31 March 2017 Amount
Note 14		
Other Equity *(Continued)*		
Notes:-		
(i) Optionally convertible non -cumulative redeemable preference shares		
Authorised :		
100,000,000 (31 March 2017: Nil) 0.01% Optionally convertible non - cumulative redeemable preference shares of Rs. 10 each.	1,000,000,000	-
Issued and subscribed and fully paid up:		
100,000,000 (31 March 2017: Nil) 0.01% Optionally convertible non - cumulative redeemable preference shares of Rs. 10 each.		
	1,000,000,000	-
	1,000,000,000	-

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2018		31 March 2017	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally convertible non-cumulative redeemable preference shares of Rs. 10/- each, fully paid-up				
Issued during the year (Refer note 30)	100,000,000	1,000,000,000	-	-
Outstanding at the end of the year	100,000,000	1,000,000,000	-	-

B. Rights , preferences and restrictions attached to equity and preference shares

0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up

The Company has a single class of preference shares having par value of Rs 10 per share. These preference shares are issued in consideration of the slump exchange of Outbound Business Division of SOTC Travel Services Private Limited to the Company as contemplated in the Composite Scheme of arrangement and amalgamation, The Company has issued 10,00,00,000 0.01% optionally convertible non-cumulative redeemable preference shares of Rs.10/- each to Travel Corporation (India) Limited, as the residual of SOTC Travel Services Private Lmited (i.e. post segregation of Oubound Business Division) is amalgamated into Travel Corporation (India) Limited. Preference shares outstanding at the end of 20 years i.e. 31 July 2037, shall be converted into equity shares as per the conversion ratio of 1 preference shares of Rs. 10 each into one equity share of Rs. 10 each. The holders of these shares are entitled to non-cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders. where dividend is not declared in respect of a financial year in the case of non-cumulative preference shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

C. Shares held by holding company / ultimate holding company / subsidiaries of holding company

	31 March 2018		31 March 2017	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally convertible non-cumulative redeemable preference shares of Rs. 10/- each, fully paid-up by:				
Travel Corporation (India) Limited	100,000,000	1,000,000,000	-	-
	100,000,000	1,000,000,000	-	-

D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2018		31 March 2017	
	No. of shares	% of total shares	No. of shares	% of total shares
0.01% Optionally convertible non-cumulative redeemable preference shares of Rs. 10/- each, fully paid-up by:				
Travel Corporation (India) Limited	100,000,000	100	-	-

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Note 14
Other Equity *(Continued)*

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date:

During the five-year period ended 31 March 2018:

100,000,000 (31 March 2017: Nil) 0.01% non-cumulative optionally convertible redeemable preference Shares of Rs. 10/- each, were issued by the Company pursuant to the composite scheme of arrangement and amalgamation.

	31 March 2018 Amount	31 March 2017 Amount
ii. Capital Reserve		
Opening Balance	-	-
Add : Addition pursuant composite scheme of arrangement and amalgamation [refer note 30]	63,804,234	-
Closing Balance	63,804,234	-

Nature and Purpose of Reserves:-
The reserve created pursuant to composite scheme of arrangement and amalgamation.

	31 March 2018 Amount	31 March 2017 Amount
iii. Retained Earnings		
Opening Balance	(66,151)	(14,633)
Add : Addition pursuant composite scheme of arrangement and amalgamation [refer note 30] - profit for the period July to March 2017	12,531,719	-
Add : Net Profit for the year	99,583,638	(51,518)
Closing Balance	112,049,206	(66,151)
iv. Other comprehensive income		
Opening Balance	-	-
Add : Addition pursuant composite scheme of arrangement and amalgamation [refer note 30]	1,031,600	-
Add : Other Comprehensive Income for the year, net of tax	529,969	-
Closing Balance	1,561,569	-
v. Employee Share Option Outstanding Account		
Opening Balance	-	-
Add : Addition pursuant composite scheme of arrangement and amalgamation [refer note 30]	7,197,587	-
Add : Charge for the year	15,484,227	-
Closing Balance	22,681,814	-

Nature and Purpose of Reserves:-
The Company has established an equity-settled share-based payment plans for certain categories of employees of the Company. The shares of the holding Company are issued under the ESOP Scheme to the employees of the Company.

Note 15
Long term borrowings
(Unsecured)

	31 March 2018 Amount	31 March 2017 Amount
Term Loan from bank	270,000,000	-
	270,000,000	-

During the year Rs. 540,000,000 term loan was taken from HDFC Bank Ltd which carried interest charge at the bank's 6 months MCLR rate which is currently 7.95%, computed at monthly rest on the actual amount utilised. The term loan is repayable in 36 monthly installments commencing from 1 July 2017. The balance of the said loan as at 31 March 2018 are Rs 450,000,000. Current portion of aforesaid loan is disclosed in note 17.

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	31 March 2018 Amount	31 March 2017 Amount
Note 16		
Trade and other payables		
Due to micro, small and medium enterprises [refer Note 32]	-	
Due to others	2,116,439,521	6,900
	2,116,439,521	6,900
Note 17		
Other financial liabilities (current)		
Security deposits	27,217,967	-
Book overdraft	16,193,634	-
Accrued salary and benefits	68,572,559	-
Directors commission payable	1,331,489	-
Derivative liabilities	9,508	-
Current portion of long term borrowing	180,000,000	-
Others	2,223,147	-
	295,548,304	-
Note 18		
Other tax liabilities		
Provision for income tax	21,746,896	-
	21,746,896	-
Note 19		
Other current liabilities		
Unearned revenue	26,248,834	-
Customers advances	1,981,264,624	971,100
Balances due to government authorities	69,987,073	-
	2,077,500,531	971,100
Note 20		
Provisions		
Provision for employee benefits - current		
Gratuity [refer note 36]	17,783,730	-
Compensated absences [refer note 36]	9,568,761	-
	27,352,491	-

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	For the year ended 31 March 2018 Amount	For the year ended 31 March 2017 Amount
Note 21		
Revenue from operations		
Sale of services	10,476,628,823	-
	10,476,628,823	-
Other operating revenue		
Marketing fees and other incentive income	561,106,061	-
Unclaimed credit balances no longer required, written back	202,028,521	-
Other miscellaneous operating income	64,300,322	-
	827,434,904	-
	11,304,063,727	-
Note 22		
Other income		
Interest on fixed deposits and investments	10,989,618	5,226
Interest income - others	493,639	-
Profit on sale of mutual funds	41,070,017	-
Compensated absences	6,664,421	-
Miscellaneous income	71,017	-
	59,288,712	5,226
Note 23		
Changes in inventories:		
Opening inventories	-	-
Add : Additions pursuant to composite scheme of arrangement and amalgamation [refer note 30]	1,496,185	-
Closing inventories	-	-
Decrease in inventories	1,496,185	-
Note 24		
Employee benefits expense		
Salaries and other allowances	775,449,855	-
Contribution to provident fund and other funds	42,396,791	-
Share-based payment to employees (Refer note 37)	15,484,227	-
Staff welfare	64,869,970	-
	898,200,843	-
Note 25		
Finance costs		
Interest expenses	52,741,570	-
	52,741,570	-

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	For the year ended 31 March 2018 Amount	For the year ended 31 March 2017 Amount
Note 26		
Other expenses		
Legal and professional charges	212,529,915	40,377
Advertisement and publicity	209,842,216	-
Operational lease rentals	134,020,216	-
Repairs and maintenance – others	99,333,361	-
Exchange loss (net) (including derivative contracts)	21,530,797	9,352
Communication	61,435,903	-
Travelling expenses	44,764,315	-
Electricity charges	24,871,028	-
Bank charges	10,254,311	-
Rates and taxes	37,162,700	115
Vehicle expenses	3,068,827	-
Printing and stationery expenses	3,945,956	-
Sales promotion expenses	13,909,104	-
Directors commission	3,448,464	-
Insurance expenses	1,164,833	-
Subscription fees	4,482,711	-
Provision for doubtful debts and deposits	17,770,857	-
Bad debts and advance written off	2,987,818	-
Loss on sale of fixed assets (net)	246,083	-
Payment to auditors (refer note below)	5,996,361	6,900
Donation	418,910	-
Miscellaneous expenses	12,193,456	-
	925,378,142	56,744
Payment to auditors		
Statutory audit	4,500,000	6,900
Tax audit	300,000	-
In other capacity		
Taxation matters	500,000	-
Certification	75,000	-
Out of pocket expenses and taxes	621,361	-
	5,996,361	6,900

Note 27
Earnings per share (EPS)

A. Net profit for the year attributable to equity shareholders	99,583,638	(51,518)
B. Weighted average number of equity shares outstanding during the year	10,000	10,000
C. Convertible preference shares	100,000,000	-
D. Basic and diluted earnings per share (A/B)	9,958.36	(5.15)
E. Diluted earnings per share [A/(B+C)]	1.00	(5.15)

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Note 28
Financial instruments – Fair values and risk management

A. Accounting classification and fair values
Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below:

as at 31 March 2018

	Carrying amount				Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVTOCI	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at fair value								
Investment in mutual funds	220,570,932	-	-	220,570,932	220,570,932	-	-	220,570,932
	220,570,932	-	-	220,570,932	220,570,932	-	-	220,570,932
Financial assets not measured at fair value								
Trade receivables	-	-	1,442,977,042	1,442,977,042	-	-	-	-
Cash and cash equivalents	-	-	479,463,343	479,463,343	-	-	-	-
Other bank balances	-	-	22,078,701	22,078,701	-	-	-	-
Other financial assets								
- Non-current	-	-	53,298,593	53,298,593	-	-	-	-
- Current	-	-	348,858,964	348,858,964	-	-	-	-
	-	-	2,346,676,643	2,346,676,643	-	-	-	-
Financial liabilities not measured at fair value								
Borrowings	-	-	450,000,000	450,000,000	-	450,000,000	-	450,000,000
Trade payables	-	-	2,116,439,521	2,116,439,521	-	-	-	-
Other financial liabililties								
- Current	-	-	115,548,304	115,548,304	-	-	-	-
Total financial liabilities	-	-	2,681,987,825	2,681,987,825	-	450,000,000	-	450,000,000

as at 31 March 2017

	Carrying amount				Fair value			
	Financial assets measured at FVTPL	Financial instruments measured at FVTOCI	Financial assets measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value								
Cash and cash equivalents	-	-	964,281	964,281	-	-	-	-
Other bank balances	-	-	45,000	45,000	-	-	-	-
Other financial assets								
- Current	-	-	2,568	2,568	-	-	-	-
	-	-	1,011,849	1,011,849	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	6,900	6,900	-	-	-	-
Total financial liabilities	-	-	6,900	6,900	-	-	-	-

1) The above includes investment in subsidiary amounitng to Rs 884,927,765.
2) The company has not disclosed the fair value of financials instrument such as trade receivables , trade payables, etc. because their carrying amount are a reasonable approximation of fair value

B. Measurement of fair values
Valuation techniques and significant unobservable inputs
The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contracts for foreign exchange contracts	The foreign exchange forward contracts are marked to market using forward FEDAI rates pertaining to the date of maturity of the contract at the balancesheet date	Not applicable	Not applicable

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Note 28 (Continued)
Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values *(Continued)*
Valuation techniques and significant unobservable inputs *(Continued)*

Financial instruments not measured at fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual funds	Market comparision technique:- The valuation model is based on market multiples derived from quoted prices of mutual fund securities.	Not applicable	Not applicable
Borrowings	Discount rate to fair value of financials assets and liabilites at amortised cost is based on general lending rate.	Not applicable	Not applicable

Transfers between Levels
There were no transfers in either direction in any of the reporting periods

C. Financial risk management
The Company has exposure to the following risks arising from financial instruments:
• Credit risk ;
• Liquidity risk ; and
• Market risk

i. Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. Credit risk primerily arises from financial assets such as trade receivables, Investment in mutual funds, derivative financials instruments , balance with banks and other receivables.

Credit risk arising from investment in mutual funds , derivative fianacials instruments and balance with banks is limited because the counterparties are bank and recognised financials institution with high credit ratings.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk in limited due to the fact that the customer base is large.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

	31 March 2018	31 March 2017
Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	-	-
Additions pursuant composite scheme of arrangement and amalgamation.[Refer note 30]	**61,421,105**	-
Loss allowance during the year	**18,814,209**	-
Balance at the end of the year	**80,235,315**	-

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Note 13

Equity share capital (continued)

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2018		31 March 2017	
	No. of shares	Amount	No. of shares	Amount
Equity shares of face value of Rs 10 each, fully paid-up				
At the commencement of the year	10,000	100,000	10,000	100,000
Addition during the year	-	-	-	-
Outstanding at the end of the year	10,000	100,000	10,000	100,000

B. Rights , preferences and restrictions attached to equity shares

Equity shares of face value of Rs 10 each fully paid-up

The Company has a single class of equity shares having face value of Rs 10 each. Accordingly, equity shares shall rank pari passu with regard to dividends and share in the Company's residual assets after distribution of all preferential amounts, if any. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held by them.

C. Shares held by holding company / ultimate holding company / subsidiaries of holding company

	31 March 2018		31 March 2017	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company') and its nominees	10,000	100,000	10,000	100,000
	10,000	100,000	10,000	100,000

D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2018		31 March 2017	
	No. of shares	% of total shares	No. of shares	% of total shares
Equity shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	10,000	100	10,000	100

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date:

None

	31 March 2018 Amount	31 March 2017 Amount
Note 14		
Other Equity		
Optionally convertible non -cumulative redeemable preference shares	1,000,000,000	-
Retained earnings	112,049,206	(66,151)
Capital reserve arising out of amalgamation [refer Note 30]	63,804,234	-
Other comprehensive income	1,561,569	-
Employee share option outstanding account	22,681,814	-
	1,200,096,823	(66,151)

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Note 28 (Continued)
Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital is sufficient to meet its current requirements, accordingly no liquidity risk is preceived.

Financing arrangements	**31 March 2018**	**31 March 2017**
Particulars		
Floating rate - Term loan	450,000,000	-
	450,000,000	-

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

as at 31 March 2018		**Contractual cash flows**				
	Carrying amount	**Total**	**0 to 180 days**	**180 to 360 days**	**1yr to 3 yrs**	**more than 3 yrs**
Non-derivative financial liabilities						
Borrowings	450,000,000	450,000,000	90,000,000	90,000,000	270,000,000	-
Trade and other payables	2,116,439,521	2,116,439,521	1,621,103,820	495,335,701	-	-
Other financial liabilites	115,548,304	115,548,304	115,548,304	-	-	-
	2,681,987,825	2,681,987,825	1,826,652,124	585,335,701	270,000,000	-

as at 31 March 2017		**Contractual cash flows**				
	Carrying amount	**Total**	**0 to 180 days**	**180 to 360 days**	**1yr to 3 yrs**	**more than 3 yrs**
Non-derivative financial liabilities						
Trade and other payables	6,900	6,900	6,900	-	-	-
	6,900	6,900	6,900	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its payables to foreign vendors in various foreign currency ,The functional currency of the Company is Indian Rupee. However the Company has natural hedge, the collection from its customer is in equivalent INR which converts in various required currency and park it in SPFC (Special Purpose Foreign Currency)account and release the payment to its vendor as and when payable.

There is also a cross currency exposure (collection in one foreign currency and payment in another foreign, currency). Tour prices are quoted in USD against which payments are quoted in EUR. This cross currency foreign exchange risk is for the FX component of European Tours till the same is settled with the supplier. There are also cases where tour prices are quoted in EUR and the payments are in local currencies of Europe, mainly GBP and CHF. This leads to EUR/GBP and EUR/CHF exposures. The payment obligations are thus exposed to the risk of the EUR appreciating against USD, and risk of GBP and CHF appreciating against the EUR.

Risk starts on the day of tour launch, when price is fixed in foreign currency. Tour price is collected around 15 days/ 1 month in advance and kept in SPFC account to meet payment obligations to Foreign Service providers.

Mitigating the risk

Based on the Company's experience, 50% of cross currency exposures are initially hedged using plain vanilla , forward exchange contracts, with time frame as per credit period from the supplier. The maturity of the contracts ,are all less than one year. The hedge price should always be lower than the ROE of the exposure that is initially fixed. On a fortnightly basis the exposures are revised based on current sales report and hedges are entered into in a phased manner. Once actual bookings start and sales targets are being met/exceeded, treasury hedges the balance open exposures, hedging more than 90% of total exposures.

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Note 28 (Continued)
Financial instruments – Fair values and risk management (continued)

Exposure to currency risk (Exposure in dfferent currencies converted to functional currency)

The currency profile of financial assets and financial liabilities as at 31 March 2018 is as below:

as at 31 March 2018 — **Amount in INR**

	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	18,846,976	92,556,402	55,933,579	36,639,412
Trade and other receivables including advances	313,772,076	261,026,323	4,681,420	114,006,853
	332,619,052	353,582,725	60,614,999	150,646,265
Financial liabilities				
Trade and other payables	264,113,460	209,225,668	28,679,098	123,414,694
	264,113,460	209,225,668	28,679,098	123,414,694
Exchange Rates	64.84	80.57	92.04	
Net Exposure in Respective currencies	68,505,593	144,357,057	31,935,901	27,231,571

as at 31 March 2017 — Amount in INR

	USD	EUR	GBP	Others
Financial liabilities				
Trade and other payables	971,100	-	-	-
	971,100	-	-	-
Exchange rate	64.92			
Net Exposure in Respective currencies	(971,100)	-	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at March 31 2018 and March 31 2017 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

March 31, 2018 — **Amount in INR**

	Profit or loss		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
1% movement				
USD	681,004	(681,004)	-	-
EUR	1,351,696	(1,351,696)	-	-
GBP	296,648	(296,648)	-	-

March 31, 2017 — Amount in INR

	Profit or loss		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(10,025)	10,025	-	-

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Note 28 (Continued)

Financial instruments – Fair values and risk management (continued)

Interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 March 2018	31 March 2017
Variable rate of borrowings	**7.95%**	-

As at the end of the reporting period, the company had the following variable rate borrowings:

	31 March 2018		31 March 2017	
	Balance	% of total loans	Balance	% of total loans
Variable rate of borrowings	**450,000,000**	**100**	-	-
Net exposure to cash flow due to interest rate risk	**450,000,000**	**100**	-	-

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Changes in interest rate are based on historical movement.

	Impact on profit after tax	
	31 March 2018	31 March 2017
Interest rates - increase by 100 basis points *	**(2,942,550)**	-
Interest rates - decrease by 100 basis points *	**2,942,550**	-

* Holding all other variables constant

Note 29
Contingent liabilities and commitments (to the extent not provided for)

	31 March 2018	31 March 2017
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Disputed claims made by clients	**81,288,534**	-
b. Disputed Service Tax Demands	**433,303,161**	-

(a) It is not practicable for the company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The company does not expect any reimbursement inrespect of the above contignet liabilites.

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Note 30

Scheme of Arrangement and Amalgamation

The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its Order dated 19th April 2017 sanctioned the Composite Scheme of Arrangement and Amalgamation ("Composite Scheme"), with Appointment Date as July 1, 2016. The order for the said Scheme was filed with Registrar of Companies on 1 June 2017, i.e. effective date. The said Composite Scheme provide to:

• Consolidate the Outbound Business Division of SOTC Travel Services Private Limited into SOTC Travel Private Limited (formerly known as SITA Travels Private Limited) by way of a slump exchange; and thereafter

• Consolidate the residual SOTC Travel Services Private Limited (i.e. post segregation of Outbound Business Division) including its subsidiaries (i.e. Distant Frontiers Tours Private Limited, SITA Beach Resorts Private Limited, SITA Destination Management Private Limited, SITA Holidays (India) Private Limited, SITA Holidays Resorts Private Limited and SITA Incoming (India) Private Limited) into Travel Corporation (India) Limited by way of an amalgamation.

In consideration of the slump exchange of Outbound Business Division of SOTC Travel Services Private Limited to SOTC Travel Limited as contemplated in the Composite Scheme, SOTC Travel Limited issued and alloted 10,00,00,000 0.01% Optionally Convertible Non-cumulative Redeemable Preference Shares of Rs. 10/- each to Travel Corporation (India) Limited, as the residual of SOTC Travel Services Private Limited (i.e. post segregation of Outbound Business Division) is amalgamated into Travel Corporation (India) Limited.

The assets and liabilities as at 1 July 2016 has been accounted in the books of the Company as per the requirements of Ind AS 103 Appendix C - Business combinations of entities under common control.

Assets and liabilities of Outbound Business Division taken over as on 1 July 2016 is as follows

Particulars	Amount as at 1 July 2016
A. ASSETS	
1. Non-Current Assets	
(a) Property, plant & equipment and intangible Assets	84,465,982
(b) Capital work-in-progress	4,011,650
(c) Non-current investments	100,000
(d) Other non-current assets	161,567,375
Total Non-current assets	**250,145,007**
2. Current Assets	
(a) Inventories	1,185,815
(b) Investments	0
(c) Trade receivables	1,235,026,403
(d) Cash and cash equivalents	1,344,565,995
(e) Bank balances other than cash and cash equivalents	2,944,141
(f) Other current assets	1,652,651,697
Total Current assets	**4,236,374,051**
TOTAL ASSETS (A)	**4,486,519,058**
B. LIABILITIES	
1. Liabilities	
Non-Current Liabilities	
(a) Borrowings	20,945,466
(b) Deferred Tax Liabilities (Net)	13,917,232
(c) Provisions	8,805,753
Total Non-current liabilities	**43,668,451**
Current Liabilities	
(a) Borrowings	1,965,478,522
(b) Trade Payables	165,005,118
(c) Provisions	36,694,751
(d) Other Current Liabilities	1,211,867,982
Total Current liabilities	**3,379,046,373**
Total - Liabilities (B)	**3,422,714,824**
Net Asset acquired on arrangement and amalgamation (A - B)	**1,063,804,234**
Consideration in terms 0.01% Optionally Convertible Non-cumulative Redeemable Preference Shares of Rs. 10/- each pursuant to composite scheme of arrangement and amalgamation	1,000,000,000
Capital reserve arising on account of composite scheme of arrangement and amalgamation	**63,804,234**

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Note 30 (Continued)
Scheme of Arrangement and Amalgamation (Continued)

	Amount
Reconciliation of Cash and Cash equivalents with the balance sheet as at 1 July 2016	
Cash and Bank Balances as per balance sheet	1,344,565,995
Book Overdraft classified under Other Current Liabilities	(95,690,808)
Cash and Cash equivalents for the purpose of cash flow	1,248,875,187

Statement of profit and loss for the period 1 July 2016 to 31 March 2017 is as follows

Particulars	**Amount**
(1) Revenue	
(a) Revenue from operations	7,277,648,492
(b) Other income	46,184,553
Total income	**7,323,833,045**
(2) Expenses	
(a) Cost of tours	5,974,922,388
(b) Changes in inventories	2,228,815
(c) Employee benefits expense	669,154,835
(d) Finance costs	17,678,165
(e) Depreciation and amortization expenses	25,536,378
(f) Other expenses	676,403,817
Total expenses	**7,365,924,398**
(3) Profit/(Loss) before tax	**(42,091,353)**
(4) Tax expense:	
(a) Current tax	-
(b) Deferred tax	(54,623,072)
(5) Profit/(Loss) after tax	**12,531,719**
(6) Other comprehensive income (OCI)	
Items that will not be reclassified to profit or (loss)	
(i) Remeasurements of defined benefit liability (asset)	3,750,609
(ii) Income tax expense on remeasurements of defined benefit liability	(2,719,009)
Other comprehensive income (net of tax) (i-ii)	**1,031,600**
(7) Total comprehensive income for the period	**13,563,319**

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Note 31
Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

Note 32
Micro, small and medium enterprises

Under the micro, small and medium enterprises development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to micro and small enterprises. On the basis of the information and records available with the management, there are no parties registered as micro and small enterprises.

Particulars	31 March 2018	31 March 2017
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day durimg each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

Note 33
Inventory

	Opening Stock as on 1 April 2017		Acquired pursuant composite scheme of arrangement and amalgamation [refer note 30]		Sales / consumption		Closing stock as on 31 March 2018	
Particulars	(Nos.)	Amount	(Nos.)	Amount	(Nos.)	Amount	(Nos.)	Amount
Holiday essential kit	-	-	1,417	1,496,185	1,417	1,496,185	-	-

Note 34
Segment reporting

The Company is in the business of providing travel and related services to its retail and corporate customers which is considered by the chief operating decision maker ('CODM') as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

Further, the Company provides services within similar economic environments considering the origin of services and risks and rewards being similar across the said markets / environment, there are no separate reportable geographical segments. Accordingly, these financial statements are reflective of the information required by the Ind AS 108.

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Note 35

Capital Management

The Company considers the following components of its balance sheet to be managed capital:
Total equity – retained earnings, capital reserves, share capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute dividends in future periods.

Note 36

Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance Corporation, Labour Welfare Fund and National Pension Scheme which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue.

Amount contributed to defined contribution plan and recognised as an expense in the statement of profit and loss are as under:

Particulars	31 March 2018	31 March 2017
Employer's contribution to provident fund	29,649,621	-
Employee's State Insurance Corporation	637,485	-
National pension scheme	209,035	-
Labour welfare fund	66,432	-

(ii) Defined benefit plan:

Gratuity plan

The Company provides for gratuity using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date, based on legislations as enacted up to the balance sheet date. Actuarial gains and losses are recognised in full in the Statement of profit and loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested.

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act,1972 or as per the Company's scheme, whichever is more beneficial.

Compensated absences and leave encashment

As per the leave policy, every employee will be allotted 30 days of leave in the first week of January. No leaves can be carried forward to the next year whereby, the leave balance left unutilized on 31 December shall lapse. During the year, a sum aggregating to Rs. 6,664,421 has been recognised as an income in the Statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31 March 2018	31 March 2017
Gratuity		
Defined benefit asset-Gratuity plan	40,514,454	-
Defined benefit liability	58,298,184	-
Net defined benefit liability	17,783,730	
Compensated absences		
Liability for compensated absences	9,568,761	-
Total employee benefit liabilities	27,352,491	-

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Chartered Accountants

SOTC TRAVEL LIMITED
Formerly SOTC Travel Private Limited

SOTC Travel Limited
(formerly known as SOTC Travel Private Limited)

Notes to the financial statements (Continued)
as at 31 March 2018

(Currency : Indian rupees)

Note 36 (Continued)
Employee benefits (Continued)

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Opening balance as on 1 April 2017	-	-	-	-	-	-
Additions pursuant composite scheme of arrangement and amalgamation [Refer note 30]	49,743,084	-	41,434,597	-	8,308,487	-
Current service cost	9,385,857	-	-	-	9,385,857	-
Adjustment to opening fair value of plan assets	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Past service cost	1,849,641	-	-	-	1,849,641	-
Interest cost (income)	3,126,637	-	4,076,416	-	(949,779)	-
Settlements / benefits paid	-	-	-	-	-	-
	14,362,135	-	4,076,416	-	10,285,719	-
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain)	2,256,987	-	-	-	2,256,987	-
Return on plan assets excluding interest income	-	-	3,067,463	-	(3,067,463)	-
	2,256,987	-	3,067,463	-	(810,476)	-
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(8,064,022)	-	(8,064,022)	-	-	-
Closing balance as on 31 March 2018	58,298,184	-	40,514,454	-	17,783,730	-

Represented by		
Defined benefit asset	40,514,454	-
Defined benefit liability	58,298,184	-
Net defined benefit liability	17,783,730	-

Plan assets composition

	31 March 2018	31 March 2017
Investment in Gratuity Fund	40,514,454	-

Defined benefit obligations
i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2018	31 March 2017
Discount rate	7.69%	-
Salary escalation rate	7% & 5%	-
Mortality rate	IALM (2006-08)	-
Employee Attrition Rate		
Upto Age 30	40.00%	-
Age 31-34	30.00%	-
Age 35-44	10.00%	-
Age 45 and above	5.00%	-

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows

As at 31 March 2018, the weighted average duration of the defined benefit obligation was 5.73 years (31 March 2017 : Nill)

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(Currency : Indian rupees)

Note 36 (Continued)

Employee benefits (Continued)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4,172,372)	4,770,200	-	-
Future salary growth (1% movement)	3,977,280	(3,667,935)	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The following table shows expense recognised in Profit and Loss account and

	31 March 2018	31 March 2017
Current service cost	9,385,857	-
Past service cost	1,849,641	-
Interest income, net	(949,779)	
	10,285,719	-

The following table shows remeasurement recognised in Other Comprehensive Income

	31 March 2018	31 March 2017
Actuarial loss (gain) /loss on deferred benefit obligation	2,256,987	-
Return on plan assets excluding interest income	(3,067,463)	-
	(810,476)	-

Note 37

Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

Thomas Cook India Limited, the parent company has granted employee stock options to the Company's employees on 7 November 2016. Under this plan, the holder of the vested options are entitled to purchase the shares of the holding company at exercise price of Re 1 at the respective date of grant of the options.

The key terms and conditions related to the grants under these plans are as follows;

Plan	Method of Settlement	Grant date	No. of options	Exercise price	Vesting period
GT07NOV2016	Equity	7 November 2016	281,420	Re. 1	100% of the options vest at the end of the 4 years i.e. 7-Nov-2020

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The Black- Scholes model requires the consideration of certain variables such as volatility, rish free rate, expected dividend yield, etc for the calculation of the fair value of the option. These variables significantly influence the fair value and any changes in these variables could signiifcantly affect the fair value of the option.

	Key management personnel
Fair value at grant date	213.04
Number of options	281,420
Share price at grant date	218.55
Exercise price	1.00
Expected volatility (weighted-average)	45.34%
Expected life (weighted-average)	14.01
Expected dividends yield	0.17%
Risk-free interest rate (based on government bonds)	7.09%

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SOTC Travel Limited
(formerly known as SOTC Travel Private Limited)

Notes to the financial statements (Continued)
as at 31 March 2018

(Currency : Indian rupees)

Note 37 (Continued)
Share-based payment arrangements: (Continued)

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows:

Particulars	Number of options 31 March 2018	Weighted average 31 March 2018	Number of options 31 March 2017	Weighted average 31 March 2017
Options outstanding as at the beginning of the year	-	-	-	-
Add: Addition pursuant composite scheme of arrangement and amalgamation [refer note 30]	337,274	337,274	-	-
Add: Options granted during the year	-	-	-	-
Less: Options lapsed/ forfeited during the year	55,854	55,854	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding as at the year end	281,420	281,420	-	-
Options vested and exercisable at the end of the year	-	-	-	-

D. The amount of the employee stock option expense charged during the year is Rs 15,484,227 (previous year Rs 7,197,586) and Rs 38,959,650 is the unamortised expense over the remaining vesting period.

Note 38
Operating leases

A. Leases as lessee
a) The Company procures office premises under operating leases. The initial tenure of the lease is generally between twelve months to sixty months. The future minimum lease payments and payment profile of non-cancellable operating leases are as under:

i. Future minimum lease payments
At March 31, the future minimum lease payments under non-cancellable leases were payable as follows.

	31 March 2018	31 March 2017
Less than one year	75,207,977	-
Between one and five years	52,718,971	-
More than five years	-	-
	127,926,948	

ii. Amounts recognised in profit or loss

	31 March 2018	31 March 2017
Lease expenses	134,020,216	-
	134,020,216	-

(Currency : Indian rupees)

Related party transactions *(Continued)*

Particulars	Subsidiaries	31 March 2018	31 March 2017
Investment in Equity Shares	Travel Circle International Mauritius	884,927,765	-

Particulars	Holding and Ultimate Holding Company	31 March 2018	31 March 2017
Income from tours	Thomas Cook (India) Limited	1,901,160	-
Cost of tours and related services	Thomas Cook (India) Limited	887,386,046	-
Expenses reimbursed	Thomas Cook (India) Limited	27,842,202	-
Expenses recovered	Thomas Cook (India) Limited	50,908	-
Guarantee Fees paid	Thomas Cook (India) Limited	4,019,466	-
Directors Deposit Fees Received	Thomas Cook (India) Limited	500,000	-
Directors Deposit Fees paid	Thomas Cook (India) Limited	500,000	-
Sale of Investment	Thomas Cook (India) Limited	100,000	-
Receivables	Thomas Cook (India) Limited	127,990,504	-
Payables	Thomas Cook (India) Limited	52,149,444	-

(G) Transactions with key management personnel

Particulars	31 March 2018	31 March 2017
Salaries and other employee benefits to whole-time directors and executive officers	73,425,796	-
Commission and other benefits to non-executive/independent directors	930,000	-

Note 40
Other information with regards other matters specified in schedule III of the Companies Act 2013 is either nil or not applicable to the company for the year ended 31 March 2018.

Note 41
Corresponding figures for the year ended 31 March 2017 have been audited by another auditor who expressed an unmodified opinion dated 17 May 2017 on the Ind AS financial statements of the Company.

Note 42
There was no specified bank note (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016.

Note 43
Thomas cook, the holding company, prepares consolidated financial statement under Ind AS, hence Company has availed the exemption for preparing consolidated financial statement under Ind AS 110.

Note 44
Effect of composite scheme of arrangement and amalgamation as described in note 30 has been taken in the current year, accordingly previous numbers are not comparable.

The notes from 1 to 44 form an integral part of the financial statements.
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2018

For and on behalf of the Board of Directors of
SOTC Travel Limited
[CIN:U63040MH2001PLC131691]

Madhavan Menon
Chairman
[DIN No. 00008542]

Vishal Suri
Managing Director
[DIN No: 06413771]

Nitin Menon
Chief Financial Officer

Kiran Agrawal
Company Secretary
[ACS No: 13188]

Mumbai
15 May 2018

Interoffice audit report

To B S R & Co. LLP, Mumbai
Sterling Holiday Resorts Limited and its subsidiaries

We have audited the accompanying consolidated special purpose financial information ("financial information") of Sterling Holiday Resorts Limited and its subsidiaries ("the Company") which comprise the consolidated balance sheet as at March 31, 2018, consolidated statement of profit or loss and consolidated statement of changes in equity for the year ended March 31, 2018.

Scope

Except as explained in the following paragraphs, we conducted our audit in accordance with the KPMG Audit Manual – International.

In accordance with your instructions, we applied such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances based on materiality provided in those instructions.

As agreed with you, we have excluded the following from our scope of audit:

a) Cash flow statement has not been included as part of the consolidated special purpose financial information, since the same will be prepared by the Group's management for the purpose of their consolidated financial statements.
b) We have not assessed impairment of goodwill arising on consolidation, as the same will be assessed at a consolidated level by the Group auditors.

Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we performed our audit procedures on the matters excluded as per the paragraphs above, the financial information has been prepared in conformity with the accounting policies and instructions of Thomas Cook (India) Limited (TCIL).

Emphasis of matter - Basis of preparation

The accompanying financial information is not prepared in accordance with and does not include all the information required to be disclosed Indian Accounting Standards (Ind AS) notified under Section 133 of the Act. Accordingly, the financial information is not intended to give a true and fair view of the consolidated financial position of the Company as at March 31, 2018 or the consolidated results of its operations for the year then ended, in accordance with Ind AS. Our opinion is not qualified in respect of this matter.

Other matters

The corresponding figures for the year ended March 31, 2017 included in the financial information are based on previously issued financial information that was audited by the predecessor auditor and relied upon by us for the purpose of our audit on the financial information.

Restriction of use

This report is intended for the sole use of B S R & Co. LLP, Mumbai in connection with its audit of TCIL's consolidated financial statements as at and for the year ended March 31, 2018 and should not be used for any other purpose.

For **B S R & Co. LLP**

S Sethuraman
Partner
Membership No: 203491
May 28, 2018

Sterling Holidays Resorts Limited
Consolidated Balance Sheet as at March 31, 2018
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3	48,675.33	41,344.70
Capital work in progress	4	884.00	4,056.26
Goodwill	42	1,358.41	1,358.41
Other intangible assets	5	403.60	519.90
Intangible assets under development	6	361.32	128.07
Financial assets			
i. Investments	7(a)	1,670.89	1,423.39
ii. Trade receivables	8(a)	3,074.00	5,503.81
iii. Other financial assets	10	1,459.63	1,473.59
Deferred tax assets	23	12.22	-
Other tax assets	11	880.19	545.59
Other non-current assets	12	783.38	729.08
Total non-current assets		**59,562.98**	**57,082.80**
Current assets			
Inventories	13	105.92	165.40
Financial assets			
i. Investments	7(b)	867.74	5,410.83
ii. Trade receivables	8(b)	8,532.05	5,410.17
iii. Cash and cash equivalents	14	247.94	220.61
iv. Bank balances other than (iii) above	15	48.32	53.09
v. Loans	9	121.48	129.15
vi. Other financial assets	10	280.67	89.49
Other current assets	16	1,350.38	1,392.94
Total current assets		**11,554.50**	**12,871.69**
Total Assets		**71,117.48**	**69,954.49**
Equity and liabilities			
Equity			
Equity share capital	17	2,905.00	2,905.00
Other equity:			
Reserves and surplus	18	12,527.02	15,447.71
Other reserves	19	944.07	641.06
Total equity attributable to owners		**16,376.09**	**18,993.77**
Non-controlling interest		0.20	0.20
Total Equity		**16,376.29**	**18,993.97**
Liabilties			
Non-current liabilities			
Financial liabilities			
i. Borrowings	20(a)	4,257.87	5,134.61
ii. Other financial liabilities	21(a)	670.45	601.35
Provisions			
i. Provision for employee benefit obligations	22	413.10	393.32
Deferred tax liabilities (net)	23	184.04	175.92
Other non-current liabilities	24	33,000.94	31,284.49
Total non-current liabilities		**38,526.40**	**37,589.69**
Current liabilities			
Financial liabilities			
i. Borrowings	20(b)	1,967.52	1,753.04
ii. Trade payables	25	3,298.24	2,509.39
iii. Other financial liabilities	21(b)	2,714.08	2,740.34
Provisions			
i. Provision for employee benefit obligations	22	230.57	139.69
ii. Other provisions	26	2,213.59	2,213.59
Current tax liabilities	27	25.89	-
Other current liabilities	28	5,764.90	4,014.78
Total current liabilities		**16,214.79**	**13,370.83**
Total liabilities		**54,741.19**	**50,960.52**
Total equity and liabilities		**71,117.48**	**69,954.49**

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Sethuraman

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 28, 2018

For and on behalf of the Board of Directors

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

Place: Chennai
Date: May 17, 2018

Sterling Holiday Resorts Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(All amounts in Rs. lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	29	27,461.18	25,600.74
Other income	30	1,360.68	1,657.93
Total income		**28,821.86**	**27,258.67**
Expenses			
Cost of materials consumed	31	1,665.31	1,689.38
Employee benefit expenses	32	11,782.75	12,940.08
Finance costs	33	851.00	884.70
Depreciation and amortisation expense	34	2,361.66	2,107.17
Other expenses	35	15,097.64	13,926.26
Total expenses		**31,758.36**	**31,547.59**
Loss before tax		**(2,936.50)**	**(4,288.92)**
Income tax expense	36		
Current tax		15.98	-
Deferred tax		5.36	(22.83)
Loss for the year		**(2,957.84)**	**(4,266.09)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Change in fair value of FVOCI equity instruments		248.48	21.24
Remeasurement of post employment benefit obligations		37.61	(30.35)
Income tax relating to these items		(0.46)	-
Other comprehensive income for the year, net of tax		**285.63**	**(9.11)**
Total comprehensive income for the year		**(2,672.21)**	**(4,275.20)**
Earnings per equity share			
Basic and diluted earnings per share	50	(10.18)	(14.69)

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 28, 2018

For and on behalf of the Board of Directors

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

Place: Chennai
Date: May 17, 2018

erling Holiday Resorts Limited
atement of changes in equity for the year ended March 31, 2018
ll amounts in Rs. lakhs, unless otherwise stated)

Equity share capital

	Notes	Amounts
Balance as at April 1, 2016		2,905.00
Changes in equity share capital during the year	17	-
Balance as at March 31, 2017		**2,905.00**
Changes in equity share capital during the year	17	-
Balance as at March 31, 2018		**2,905.00**

Other equity

		Attributable to owners							
		Reserves and surplus			Other reserves				
	Notes	Securities Premium Account	General reserve	Retained earnings	ESOP reserve	FVOCI of Equity Instruments	Total	Non - Controlling interest	Total
Balance as at April 1, 2016		32,057.94	4.70	(12,318.49)	358.72	-	20,102.87	0.20	20,103.07
Loss for the year	18	-	-	(4,266.09)	-	-	(4,266.09)	-	(4,266.09)
Employee stock option expense	20	-	-	-	261.10		261.10	-	261.10
Other comprehensive income	20	-	-	(30.35)	-	21.24	(9.11)	-	(9.11)
Balance as at March 31, 2017		32,057.94	4.70	(16,614.93)	619.82	21.24	16,088.77	0.20	16,088.97
Loss for the year	18	-	-	(2,957.84)	-	-	(2,957.84)	-	(2,957.84)
Employee stock option expense	20	-	-	-	54.53	-	54.53	-	54.53
Other comprehensive income (net of tax)	20	-	-	37.15	-	248.48	285.63	-	285.63
Balance as at March 31, 2018		32,057.94	4.70	(19,535.62)	674.35	269.72	13,471.09	0.20	13,471.29

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 28, 2018

For and on behalf of the Board of Directors

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

Place: Chennai
Date: May 17, 2018

erling Holiday Resorts Limited

otes to the consolidated financial statements as at and for the year ended March 31, 2018

ll amounts in Rs. lakhs, unless otherwise stated)

Property, plant and equipment

The changes in the carrying value of fixed assets for the year ended March 31, 2017 is as follows:

Asset description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017
Land - freehold	5,473.67	6.17	-	5,479.84	-	-	-	-	5,473.67	5,479.84
Land - leasehold	1,698.94	-	-	1,698.94	54.62	22.18	-	76.80	1,644.32	1,622.14
Building	24,002.56	3,689.72	12.94	27,679.34	481.55	685.74	-	1,167.29	23,521.01	26,512.05
Computer equipment	370.67	61.62	1.16	431.13	124.14	124.87	0.77	248.24	246.53	182.89
Plant and machinery	1,920.24	291.51	0.42	2,211.33	112.06	189.42	0.42	301.06	1,808.18	1,910.27
Furniture and fixtures	2,215.29	968.97	2.57	3,181.69	266.55	426.66	0.54	692.67	1,948.74	2,489.02
Office equipment	132.32	9.52	2.03	139.81	91.19	46.16	1.81	135.54	41.13	4.27
Vehicles	152.02	21.27	15.83	157.46	23.24	27.60	5.62	45.22	128.78	112.24
Electrical installations	2,861.98	827.45	1.56	3,687.87	268.29	388.32	0.72	655.89	2,593.69	3,031.98
Total	**38,827.69**	**5,876.23**	**36.51**	**44,667.41**	**1,421.64**	**1,910.95**	**9.88**	**3,322.71**	**37,406.05**	**41,344.70**

The changes in the carrying value of fixed assets for the year ended March 31, 2018 are as follows:

Asset description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 1, 2017	Additions / Adjustments	Disposals	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Disposals	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Land - freehold	5,479.84	36.54	4.62	5,511.76	-	-	-	-	5,479.84	5,511.76
Land - leasehold	1,698.94	-	-	1,698.94	76.80	18.67	-	95.47	1,622.14	1,603.47
Building	27,679.34	6,735.04	-	34,414.39	1,167.29	805.17	-	1,972.46	26,512.05	32,441.93
Computer equipment	431.13	92.43	4.14	519.43	248.24	108.58	1.90	354.92	182.90	164.51
Plant and machinery	2,211.33	513.83	3.75	2,721.40	301.06	231.06	1.50	530.62	1,910.27	2,190.78
Furniture and fixtures	3,181.69	793.77	39.78	3,935.69	692.67	497.28	8.45	1,181.50	2,489.02	2,754.18
Office equipment	139.81	61.36	0.03	201.15	135.54	21.95	0.03	157.46	4.27	43.68
Vehicles	157.46	25.73	15.71	167.48	45.22	28.74	12.93	61.03	112.24	106.46
Electrical installations	3,687.87	1,301.88	8.92	4,980.84	655.89	468.53	2.15	1,122.27	3,031.98	3,858.57
Total	**44,667.41**	**9,560.58**	**76.95**	**54,151.08**	**3,322.71**	**2,179.98**	**26.95**	**5,475.73**	**41,344.71**	**48,675.33**

a. Consequent to the Scheme referred in Note 47 becoming effective, the Company is in the process of transferring the title of land and building in the name of Company.

b. Leasehold land of Rs. 1,698.94 lakhs represents parcels of land which were obtained by the Company for a lease term of 99 years.

c. Refer Note 44 for capital commitments.

d. Refer Note 45 for certain property related matters.

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Capital work in progress

The changes in the carrying value of capital work in progress for the year ended March 31, 2017 are as follows:

	Gross carrying amount			
Asset description	**As at April 1, 2016**	**Additions**	**Disposals/Transfers**	**As at March 31, 2017**
Capital work in progress	4,548.48	5,157.05	5,649.27	4,056.26
	4,548.48	**5,157.05**	**5,649.27**	**4,056.26**

The changes in the carrying value of capital work in progress for the year ended March 31, 2018 are as follows:

	Gross carrying amount			
Asset description	**As at April 1, 2017**	**Additions**	**Disposals/Transfers**	**As at March 31, 2018**
Capital work in progress	4,056.26	6,233.18	9,405.44	884.00
	4,056.26	**6,233.18**	**6,233.18**	**884.00**

Capital work in progress mainly comprises of resort properties under construction/renovation. Additions to capital work in progress during the year, includes capitalized borrowing costs amounting to Rs. 69.25 lakhs.

Other intangible assets

The changes in the carrying value of Intangibles for the year ended March 31, 2017 are as follows:

	Gross carrying amount				Accumulated amortisation				Net carrying amount	
Asset description	**As at April 1, 2016**	**Additions**	**Disposals**	**As at March 31, 2017**	**As at April 1, 2016**	**Amortisation for the year**	**Disposals**	**As at March 31, 2017**	**As at April 01, 2016**	**As at March 31, 2017**
Computer software	495.36	74.53	-	569.89	134.83	139.53	-	274.36	360.53	295.53
Brand	283.57	-	-	283.57	2.49	56.71	-	59.20	281.08	224.37
Total	**778.93**	**74.53**	**-**	**853.46**	**137.32**	**196.24**	**-**	**333.56**	**641.61**	**519.90**

The changes in the carrying value of Intangibles for the year ended March 31, 2018 are as follows:

	Gross carrying amount				Accumulated amortisation				Net carrying amount	
Asset description	**As at April 1, 2017**	**Additions**	**Disposals**	**As at March 31, 2018**	**As at April 1, 2017**	**Amortisation for the year**	**Disposals**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**
Computer software	569.89	65.38	-	635.27	274.36	124.97	-	399.33	295.53	235.94
Brand	283.57	-	-	283.57	59.20	56.71	-	115.91	224.37	167.66
Total	**853.46**	**65.38**	**-**	**918.84**	**333.56**	**181.68**	**-**	**515.24**	**519.90**	**403.60**

Intangible assets under development

	Gross carrying amount			
Asset description	**As at April 1, 2016**	**Additions**	**Disposals/Transfers**	**As at March 31, 2017**
Capital work in progress	74.31	53.76	-	128.07
	74.31	**53.76**	**-**	**128.07**

	Gross carrying amount			
Asset description	**As at April 1, 2017**	**Additions**	**Disposals/Transfers**	**As at March 31, 2018**
Capital work in progress	128.07	233.25	-	361.32
	128.07	**233.25**	**-**	**361.32**

Intangible assets under development comprise the Company's website which is under development.

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	As at March 31, 2018	As at March 31, 2017
7(a) Non-current investments		
Investment in equity instruments (fully paid-up)		
Equity investments at FVTPL		
Unquoted:		
Investment in equity shares of Rs.10 each, fully paid-up:		
100,000 (March 31, 2017: 100,000) equity shares of Sterling Holiday Finvest Limited	-	-
100,000 (March 31, 2017: 100,000) equity shares of Sterling Securities and Futures Limited	-	-
520,000 (March 31, 2017: 520,000) equity shares of Sterling Resorts Home Finance Limited	-	-
700,000 (March 31, 2017: 700,000) equity shares of Sterling Holidays Financial Services Limited	-	-
Investment in no. of Teak Units:	-	-
28,765 (March 31, 2017: 28,765) equity shares of Sterling Tree Magnum (India) Limited	-	-
Equity investments at FVOCI		
Unquoted		
73,234 (March 31, 2017: 73,234) equity shares of Travel Corporation (India) Limited	1,669.22	1,420.74
Equity instruments at fair value through P&L		
Investment in Equity Shares of Rs.10 each, fully paid-up:		
Quoted:		
1,100 (March 31, 2017: 1,100) Equity shares of Tourism Finance Corporation of India Limited	1.67	0.91
Unquoted:		
17,453 (March 31, 2017: 17,453) equity shares of TJSB Bank	-	1.74
Total (equity instruments)	**1,670.89**	**1,423.39**
Aggregate amount of quoted investments and market value thereof	1.67	0.91
Aggregate amount of unquoted investments	1,669.22	1,422.48
Aggregate amount of impairment in the value of investments	1,146.74	1,145.00

	As at March 31, 2018	As at March 31, 2017
7(b) Current investments:		
Quoted: Investment in mutual funds at FVTPL		
Nil (March 31, 2017: 3,010,403) units of Tata Dynamic Bond Fund - Reg - Growth	-	764.91
Nil (March 31,2017: 9,711,189) units of IDFC Corporate Bond Fund - Reg - Growth	-	1,085.99
Nil (March 31 ,2017: 3,496,369) units of Reliance Short Term Fund - Growth	-	1,078.77
Nil (March 31, 2017: 406,947) units of Birla Sun Life Short Term Fund - Reg - Growth	-	253.75
Nil (March 31,2017: 1,873,185) units of Birla Sun Life Dynamic Bond Fund - Reg - Growth	-	543.05
Nil (March 31, 2017: 210) units of Tata Floater Fund - Reg - Growth	-	5.18
Nil (March 31, 2017: 1,659,968) units of Kotak Banking and PSU Debt Fund - Reg - Growth	-	867.10
1,037,468 (March 31, 2017: 1,037,468) units of Kotak Treasury Advantage Fund -Reg-Growth *	288.35	270.17
10,985 (March 31, 2017: 10,985) units of TATA Floater Fund -Growth *	289.34	270.79
959,041 (March 31, 2017: 959,041) units of HDFC FRIF - Short Term Plan -Growth *	290.05	271.12
Total	**867.74**	**5,410.83**
Aggregate amount of quoted investments and market value thereof	867.74	5,410.83
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

* Represents investments given as security for loan. Refer note 20.

* Represents investments given a security for loan of Rs. 779.17 lakhs availed by a subsidiary company.

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(All amounts in Rs. lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
8(a) Trade receivables non-current - Unsecured		
Considered good	3,074.00	5,503.81
Considered doubtful	655.99	1,395.21
Less: Deferred income	(396.07)	(787.88)
Less: Provision for cancellation	(259.92)	(607.33)
Total	**3,074.00**	**5,503.81**
8(b) Trade receivables current - Unsecured		
Considered good	8,532.05	5,414.96
Considered doubtful	12,114.60	9,795.95
	20,646.65	**15,210.91**
Less: Deferred income	(6,452.90)	(5,341.35)
Less: Provision for cancellation	(5,661.70)	(4,459.39)
Total	**8,532.05**	**5,410.17**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	113.35	108.65
Loss allowance	-	-
Net trade receivables	**113.35**	**108.65**

For receivables secured against borrowings, refer note 20.
The Group's exposure to credit and loss allowances related to trade receivables are disclosed in note 38.

8(c) *Transferred receivables*

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred asset in their entirety in its Balance sheet. The amount repayable under the arrangement is presented as securitised borrowing

The relevant carrying amount are aas follows:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Total transferred receivables	1,063.03	1,607.79
Associated securitised borrowing (note 20)	514.83	1,239.81

9 Loans		
Unsecured, considered good		
Employee advances	121.48	129.15
Total	**121.48**	**129.15**

	As at March 31, 2018		As at March 31, 2017	
	Current	Non-current	Current	Non-current
10 Other financial assets				
Security deposits	88.20	862.04	-	946.49
Receivable on sale of fixed assets [Refer Note 44(b)]	-	597.59	-	527.10
Bank deposits	4.77	-	-	-
Interest accrued on fixed deposits	24.82	-	18.58	-
Unbilled revenue	162.88	-	70.91	-
	280.67	**1,459.63**	**89.49**	**1,473.59**

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		As at March 31, 2018	As at March 31, 2017
11	**Other tax assets (net)**		
	- Advance tax [Net of provision for tax Rs. 216.07 lakhs, (March 31, 2017: Rs. 216.07 lacs)]	880.19	545.59
	Total	**880.19**	**545.59**
12	**Other non-current assets**		
	Prepaid expenses	467.87	226.90
	Capital advances		
	- Considered good	315.51	502.18
	- Considered doubtful	886.67	886.06
		1,202.18	**1,388.24**
	- Less: Provision for doubtful advances	(886.67)	(886.06)
		315.51	**502.18**
	Total	**783.38**	**729.08**
13	**Inventories**		
	Food and beverages	46.70	49.76
	Operating supplies	59.22	115.64
	Total	**105.92**	**165.40**
14	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	231.63	195.69
	Cash on hand	16.31	24.92
	Cash and cash equivalents in the balance sheet	**247.94**	**220.61**
	Bank overdrafts used for cash management purposes	(967.52)	(1,753.04)
	Cash and cash equivalents in the statement of cash flows	**(719.58)**	**(1,532.43)**

There are no repatriation restrictions with respect to cash and cash equivalents as at the end of the reporting period.

		As at March 31, 2018	As at March 31, 2017
15	**Other bank balances**		
	Short term bank deposits (Deposits with maturity of more than 3 months but less than 12 months)	48.32	53.09
	Total	**48.32**	**53.09**
16	**Other current assets**		
	Prepaid expenses	481.24	853.69
	Advances to vendors		
	Considered good	474.18	414.14
	Considered doubtful	57.87	-
		532.05	**414.14**
	Less: Provision for doubtful advance	(57.87)	-
		474.18	**414.14**
	Balances with statutory authorities	394.96	125.12
	Total other current assets	**1,350.38**	**1,392.94**

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17 Equity share capital

Authorised equity share capital

Authorised	**As at March 31, 2018**	**As at March 31, 2017**
400 lakhs (March 31, 2017: 400 lakhs) equity shares of Rs.10 each	4,000.00	4,000.00
Issued, subscribed and paid-up		
290.50 lakhs (March 31, 2017: 290.50 lakhs) equity shares of Rs.10 each	2,905.00	2,905.00
As at March 31, 2018	**2,905.00**	**2,905.00**

Reconciliation of shares outstanding at the beginning and at the end of the year

	As at March 31, 2018		**As at March 31, 2017**	
	Number *in lakhs*	**Amount** *in lakhs*	**Number** *in lakhs*	**Amount** *in lakhs*
Equity shares				
At the commencement of the year	290.50	2,905.00	290.50	2,905.00
Shares issued during the year	-	-	-	-
At the end of the year	**290.50**	**2,905.00**	**290.50**	**2,905.00**

All issued shares are fully paid up.

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held.

Shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries/associates

	As at March 31, 2018		**As at March 31, 2017**	
	Number *in lakhs*	**Amount** *in lakhs*	**Number** *in lakhs*	**Amount** *in lakhs*
Equity shares of Rs. 10 each held by the holding company	290.50	2,905.00	290.50	2,905.00

Particulars of shareholders holding more than 5% shares of a class of shares

	As at March 31, 2018		**As at March 31, 2017**	
	Number *in lakhs*	**% of total shares in class**	**Number** *in lakhs*	**% of total shares in class**
Equity shares of Rs. 10 each held by				
Thomas Cook (India) Limited and its nominees (holding company)	290.50	100%	290.50	100%

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(All amounts in Rs. lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
18 Reserves and surplus		
Securities premium reserves	32,057.94	32,057.94
General reserve	4.70	4.70
Retained earnings	(19,535.62)	(16,614.93)
Total reserves and surplus	**12,527.02**	**15,447.71**

Movement in reserves and surplus balances is as follows :

	As at March 31, 2018	As at March 31, 2017
a) Securities premium reserves		
Opening balance	32,057.94	32,057.94
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	**32,057.94**	**32,057.94**

	As at March 31, 2018	As at March 31, 2017
b) General reserve		
Opening balance	4.70	4.70
Additions during the year	-	-
Closing balance	**4.70**	**4.70**

	As at March 31, 2018	As at March 31, 2017
c) Retained earnings		
Opening balance	(16,614.93)	(12,318.49)
Loss for the year	(2,957.84)	(4,266.09)
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligation, net of tax	37.61	(30.35)
- Income tax related to this item	(0.46)	-
Add: Adjustment for Minority Interest	-	-
Closing balance	**(19,535.62)**	**(16,614.93)**

19 Other reserves

	ESOP reserve	FVOCI of Equity Instruments	Total
As at April 1, 2016	358.72	-	358.72
Additions during the year	261.10	21.24	282.34
As at March 31, 2017	**619.82**	**21.24**	**641.06**
Additions during the year	54.53	248.48	303.01
As at March 31, 2018	**674.35**	**269.72**	**944.07**

ESOP reserve

The ESOP reserve is used for recognising the grant date fair value of the share options issued to the employees under the Employee Share Option Scheme in addition to the fair value of the options issued to the employees of the Company by Thomas Cook (India) Limited as per Ind AS 102.

FVOCI - Equity instruments

The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI Equity instruments reserve within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	As at March 31, 2018	As at March 31, 2017
20(a) Non-current borrowings		
Term loan		
From banks		
Secured bank loans	4,257.87	5,132.46
From others	-	2.15
Total borrowings	**4,257.87**	**5,134.61**
20(b) Current borrowings		
Loans from banks		
Current portion of secured bank loans	1,471.51	1,569.55
Secured short-term working capital loan	1,000.00	-
Bank overdraft	967.52	1,753.04
	3,439.03	**3,322.59**
Less: Amount included under 'Other financial liabilities'	(1,471.51)	(1,569.55)
Total current borrowings	**1,967.52**	**1,753.04**

Information about the Company's exposure to liquidity risk is included in Note 38.

Secured bank loans

a Loan amounting to Rs. 4,950.00 lakhs (net of processing fees) from HDFC Bank Limited is secured by way of hypothecation of movable fixed assets acquired through the term loan at resorts namely Mussoorie, Manali, Darjeeling, Ooty Fern Hill and Kodai Valley View and by way of pledge of immovable properties at Mussoorie and Yercaud and is repayable in 24 equal quarterly installments including a moratorium of 12 months from the date of loan (January 4, 2016). The interest rate has been reduced from 11% p.a. on the total principal amount to 8.5% p.a. on Rs. 2,750.00 lakhs (as on March 31, 2018) and 9.1% p.a. on Rs. 1,416.67 lakhs (as on March 31, 2018) with effect from November 1, 2017. The above change in interest rates is treated as a non-substantial modification of terms of the financial liability and the resultant gain amounting to Rs. 172.52 lakhs is recorded in the statement of profit and loss and adjusted against the loan balance. This will be amortised over the remaining period of the loan. The cash flows as per the revised terms are now discounted using the revised effective interest rate. The loan amount outstanding as at year end is Rs. 3,989.54 lakhs (March 31, 2017: Rs. 4,971.07 lakhs). Out of this, Rs. 782.09 lakhs (March 31, 2017: 824.70 lakhs) is repayable within 1 year and the balance amount of Rs. 3,207.45 lakhs (March 31, 2017: 4,146.37 lakhs) is repayable after 1 year from the balance sheet date.

b Loan amounting to Rs. 2,500 lakhs from HDFC Bank Limited is repayable in 44 monthly installments commencing from August 24, 2015 along with an interest rate of base rate + 1.55% p.a.. The loan is secured by way of assignment of receivables amounting to Rs. 4,439.28 lakhs with 100% recourse to the Company. The loan amount outstanding as at year end is Rs. 514.34 lakhs (March 31, 2017: Rs.1,222.58 lakhs). Out of this loan, Rs. 492.73 lakhs (March 31, 2017: 707.74 lakhs) is repayable within 1 year and the balance amount of Rs. 21.61 lakhs (March 31, 2017: Rs.514.84 lakhs) is repayable after 1 year from the balance sheet date.

c Loan amounting to Rs.800.00 lakhs from HDFC Bank is secured by way of (a) An exclusive charge on current assets and movable fixed assets of the Company (b) A lien on debt mutual funds (liquid plus fund) of Rs. 770 lakhs owned by M/s Sterling Holiday Resorts Limited (Holding Company) and is repayable in 24 quarterly instalments including a moratorium of 12 months from the date of loan (January 31, 2017). Interest will be payable at monthly rests at the rate of 10% per annum. The loan amount outstanding as at year end is Rs. 779.17 lakhs (March 31, 2017: Rs. 490.00 lakhs). Out of this, Rs. 120.83 lakhs (March 31, 2017: Rs.18.75 lakhs) is repayable within 1 year and the balance amount of Rs.658.33 lakhs (March 31, 2017: Rs. 471.25 lakhs) is repayable after 1 year from the balance sheet date.

d Loan amounting to Rs 350 lakhs from HDFC Bank Limited is repayable in 20 quarterly installments commencing from February 25, 2018 along with an interest rate of 8.75% linked to 1 year MCLR with annual reset. The loan is secured by way of exclusive charge on the movable fixed assets financed out of the loan and further secured by extension of existing mortgage at Mussoorie and negative lien on property at Yercaud. The loan amount outstanding as at year end is Rs. 332.50 lakhs (March 31, 2017: Nil). Out of this loan, Rs. 70.00 lakhs (March 31, 2017: Nil) is repayable within 1 year and the balance amount of Rs. 262.50 lakhs (March 31, 2017: Nil) is repayable after 1 year from the balance sheet date.

e Loan amounting to Rs. 105.69 lakhs (net of processing fees) from Yes Bank is secured by way of (a) An exclusive charge on land and building of Durshet and Kundalika owned by the Company (b) An exclusive charge on current assets and movable fixed assets of the Company (c) A letter of Comfort from M/s Sterling Holiday Resorts Limited (Holding Company) and (d) A negative lien on the assets of the Company on which the bank is not creating security and is repayable 32 Quarterly Installments from the date of loan (March 28, 2018). Interest is payable at monthly rests at the rate of 8.5% per annum.The loan amount outstanding as at year end is Rs. 105.69 lakhs (March 31, 2017: Rs. NIL). Out of this, Rs. 3.37 lakhs (March 31, 2017: Rs.NIL lakhs) is repayable within 1 year and the balance amount of Rs.102.32 lakhs (March 31, 2017: Rs. NIL) is repayable after 1 year from the balance sheet date.

f Loan amount to Rs. 6.60 Lakhs from HDFC Bank is secured by way of hypothecation of the underlying vehicles and is repayable in 48 equated monthly instalments starting from the date of the loan (August 28, 2017) along with interest at the rate of 8.46% per annum.The loan amount outstanding as at year end is Rs. 6.06 lakhs (March 31, 2017: Rs. NIL lakhs). Out of this, Rs. 1.15 lakhs (March 31, 2017: Rs.NIL lakhs) is repayable within 1 year and the balance amount of Rs. 4.90 lakhs (March 31, 2017: Rs. NIL lakhs) is repayable after 1 year from the balance sheet date.

g Loan amounting to Rs. 4.75 Lakhs from Mahindra Finance is secured by way of hypothecation of the undererlying vehicle and is repayable in 48 equated monthly instalments from the date of the loan (October 31, 2015) along with interest at the rate of 14% per annum. The loan amount outstanding as at year end is Rs. 2.08 lakhs (March 31, 2017: Rs. 3.28 lakhs). Out of this, Rs. 1.33 lakhs (March 31, 2017: Rs.1.13 lakhs) is repayable within 1 year and the balance amount of Rs. 0.75 lakhs (March 31, 2017: Rs. 2.15 lakhs) is repayable after 1 year from the balance sheet date.

The carrying amounts of financial and non-financial assets pledged as security for non-current borrowings are disclosed in Note 48.

Short-term working capital loan

Short-term borrowing of Rs. 1,000 lakhs (March 31, 2017: Nil) from HDFC Bank with an interest rate of 8.75% p.a. is secured by charge on current and movable fixed assets and further secured by extension of collateral property at Mussoorie and negative lien on property located at Yercaud.

Bank overdraft

a Bank overdraft of Rs. 918.25 lakhs (March 31, 2017 Rs. 1,703.87 lakhs) from Kotak Mahindra Bank with an interest rate of 10.2% is secured by first and exclusive charge on immovable property being land situated at Wayanad, Kerala and further secured by first and exclusive hypothecation charge on all existing and future inventory and receivables relating to Resorts.

b Bank overdraft amounting to Rs. 49.27 lakhs (March 31, 2017: Rs. 49.17 lakhs) from HDFC bank is secured by way of (a) an exclusive charge on current assets and movable fixed assets of M/s Nature Trails Resorts Private Limited (b) a lien on debt mutual funds (liquid plus fund) of Rs. 770 lakhs owned by M/s Sterling Holiday Resorts Limited

		As at March 31, 2018	As at March 31, 2017
21	**Other financial liabilities**		
21(a)	**Non-current**		
	Creditors for capital expenditure	59.62	70.19
	Contingent consideration - Long term liability	610.83	531.16
	Total	**670.45**	**601.35**
21(b)	**Current**		
	Current maturities of long-term borrowings	1,471.51	1,569.55
	Interest accrued but not due on borrowings	46.41	54.66
	Creditors for capital expenditure	996.61	971.21
	Security deposits	75.67	74.34
	Other liabilities	123.62	70.32
	Share application money	0.26	0.26
	Total	**2,714.08**	**2,740.34**

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ll amounts in Rs. lakhs, unless otherwise stated)

2 Provision for employee benefit obligations

	As at March 31, 2018			As at March 31, 2017		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absence	125.11	143.26	268.37	83.53	134.88	218.41
Gratuity	105.46	269.84	375.30	56.16	258.44	314.60
Total	**230.57**	**413.10**	**643.67**	**139.69**	**393.32**	**533.01**

(i) Compensated absence

	As at March 31, 2018	As at March 31, 2017
Current leave obligations expected to be settled within the next 12 months	125.11	83.53

(ii) Post employment obligations

a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2016	**351.58**	**128.26**	**223.32**
Current service cost	69.03	-	**69.03**
Past service cost	25.51	**10.15**	**15.36**
Interest expense/(income)	-	-	-
Total amount recognised in profit or loss	**94.54**	**10.15**	**84.39**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.38)	**1.38**
(Gain)/loss from change in demographic assumptions	(28.53)	-	**(28.53)**
(Gain)/loss from change in financial assumptions	70.30	-	**70.30**
Experience (gains)/losses	(12.80)	-	**(12.80)**
Total amount recognised in other comprehensive income	**28.97**	**(1.38)**	**30.35**
Employer contributions	(9.81)	12.76	**(22.57)**
Benefit payments	(11.94)	(9.81)	**(2.13)**
March 31, 2017	**453.34**	**139.98**	**313.36**

	Present value of obligation	Fair value of plan assets	Net Amount
April 1, 2017	**453.34**	**139.98**	**313.36**
Current service cost	90.86	-	**90.86**
Past service cost	4.60	-	**4.60**
Interest expense/(income)	31.38	8.48	**22.90**
Total amount recognised in profit or loss	**126.84**	**8.48**	**118.36**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	3.50	**(3.50)**
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(19.82)	-	**(19.82)**
Experience (gains)/losses	(14.28)	-	**(14.28)**
Total amount recognised in other comprehensive income	**(34.10)**	**3.50**	**(37.60)**
Employer contributions	(15.46)	-	**(15.46)**
Benefit payments	(18.82)	(15.46)	**(3.36)**
March 31, 2018	**511.80**	**136.50**	**375.30**

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The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2018	As at March 31, 2017
Present value of funded obligations	391.06	363.61
Fair value of plan assets	136.50	139.98
Deficit of funded plan	**254.56**	**223.63**
Current benefit obligation	105.46	56.16
Non-current benefit obligation	149.10	167.47
Unfunded plans	120.74	89.73
Deficit of gratuity plan	**375.30**	**313.36**

(iii) Defined contribution plans

The Company has also certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 431.10 lakhs (Previous year Rs. 410.78 lakhs).

(iv) Principal actuarial assumptions used in valuation of gratuity

	March 31, 2018	March 31, 2017
Discount rate	7.41-7.79%	6.88%-7.27%
Expected rate of return on plan assets	6.88%	6.88%
Salary growth rate	7.00%	7.00%
Attrition rate	27.00%	27.00%

Estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

(v) Sensitivity analysis

a) Gratuity

	March 31, 2018	March 31, 2017
Discount rate:		
+ 100 basis points	(52.09)	(49.75)
- 100 basis points	55.33	52.62
Salary escalation rate:		
+ 100 basis points	41.36	36.62
- 100 basis points	(40.47)	(35.87)

b) Compensated absence

	March 31, 2018	March 31, 2017
Discount rate:		
+ 100 basis points	(27.95)	(24.25)
- 100 basis points	29.74	25.85
Salary escalation rate:		
+ 100 basis points	21.55	17.21
- 100 basis points	(20.42)	(16.29)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to the significant actuarial assumptions the same method (present value of defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability in the balance sheet.

The methods and types of assumption used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) Risk exposure

The Company's Gratuity fund is maintained by an approved trust (Life Insurance Corporation of India). A large portion of the investment made by the LIC is in government bonds and securities and other approved securities. Hence, the company is not exposed to the risk of asset volatality as at the balance sheet date.

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(All amounts in Rs. lakhs, unless otherwise stated)

23 Deferred tax liabilities

The balance comprises temporary differences attributable to:

	As at March 31, 2018	As at March 31, 2017
Property, plant and equipment	4,610.53	4,559.72
On account of fair valuation of investments	269.11	188.49
On account of land valuation	116.73	116.73
On account of brand valuation	67.31	59.19
Total deferred tax liabilities	**5,063.68**	**4,924.13**
Unabsorbed depreciation allowance and business loss carried forward	8,839.35	11,053.48
Provision for employee benefits	316.98	252.16
Provision for doubtful debts	1,816.94	1,789.67
Others	-	23.70
	10,973.27	**13,119.01**
Set-off of deferred tax liabilities pursuant to set-off provisions	4,879.64	4,748.21
Net deferred tax (liability)/asset as per the balance sheet	12.22	-
Net unrecognised deferred tax assets	**6,081.41**	**8,370.80**
Unadjusted deferred tax liabilities	**184.04**	**175.92**

Note: The deferred tax liability on land and brand valuation arises only upon consolidation upon effecting the business combination. Consequently the same is not adjusted against the assets available from the other entities as there are no enabling provision under existing tax laws that enables set off of the assets available within the group.

Movement in deferred tax liabilities

	Property, plant and equipment	On account of fair valuation of investments	On account of brand valuation	On account of land valuation	Total
At April 1, 2016	-	-	-	-	-
(Charged)/credited:					
- to profit or loss	4,559.72	188.49	59.19	116.73	4,924.13
- to other comprehensive income	-	-			
At March 31, 2017	**4,559.72**	**188.49**	**59.19**	**116.73**	**4,924.13**
(Charged)/credited:					
- to profit or loss	50.81	80.62	8.12	-	139.55
- to other comprehensive income	-	-	-	-	-
At March 31, 2018	**4,610.53**	**269.11**	**67.31**	**116.73**	**5,063.68**

Movement in deferred tax assets

	Unabsorbed depreciation allowance and business loss carried forward	Provision for employee benefits	Provision for doubtful debts	Others	Total
At April 1, 2016	-	-	-	-	-
Movement in deferred tax asset	11,053.48	252.16	1,789.67	23.70	13,119.01
At March 31, 2017	**11,053.48**	**252.16**	**1,789.67**	**23.70**	**13,119.01**
Movement in deferred tax asset	(2,214.13)	64.82	27.27	(23.70)	(2,145.74)
At March 31, 2018	**8,839.35**	**316.98**	**1,816.94**	-	**10,973.27**

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24 Other non-current liabilities	As at March 31, 2018	As at March 31, 2017
Deferred income	32,830.90	31,284.49
Advance received from customers	170.04	-
Total	**33,000.94**	**31,284.49**

25 Trade payables

Current		
Total outstanding dues of micro and small enterprises (Refer Note 46)	8.44	1.55
Total outstanding dues of creditors other than micro and small enterprises	3,001.87	2,375.21
Trade Payable to related parties	287.93	132.63
Total	**3,298.24**	**2,509.39**

The Group's exposure to liquidity risks related to trade payables is disclosed in Note 38.

26 Other provisions

Provision for fringe benefit tax	74.40	74.40
Provision for stamp duty	2,139.19	2,139.19
Total	**2,213.59**	**2,213.59**

Pursuant to the Composite scheme of arrangement and amalgamation referred in Note 47, the immovable properties of the demerged undertaking (timeshare & resorts business) is being transferred to the Company. On the basis of legal opinion, the Company has made a provision amounting to Rs. 2,139.19 lakhs for the stamp duty liability that may arise.

27 Current tax liabilities

Provision for income tax	25.89	-
Total	**25.89**	-

28 Other current liabilities

Salaries, wages, bonus and employee payables	1,261.39	1,250.96
Statutory liabilities	638.42	398.54
Deferred income	2,073.69	975.69
Advance received from customers	1,791.40	1,374.55
Others	-	15.04
Total	**5,764.90**	**4,014.78**

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	For the year ended March 31, 2018	For the year ended March 31, 2017
29 Revenue from operations		
Sale of products (Resort operations)		
Food and beverages	5,459.92	5,079.24
Sale of services		
Income from sale of vacation ownership:		
- Admission fees	5,628.13	6,623.42
- Entitlement fees	1,322.44	948.81
- Annual subscription fees/ annual amenity charges	3,859.96	3,217.04
- Interest income on trade receivables (instalment plan)	811.06	1,013.38
Income from resorts:		
- Room rentals	8,386.65	6,759.45
- Others	1,677.53	1,478.60
Commission income	-	0.46
Other operating revenues		
Service charges	315.49	480.34
Total	**27,461.18**	**25,600.74**

The Company uses the historical trends/ yield precentages to determine the provision for cancellation of contracts (i.e, the expected number of contracts which will be eventually cancelled) and accounts this as a reduction in revenue since it is attributable to uncertainity in collection/ returning to holidays. Based on this estimate, the company has made a provision of Rs. 919.66 lakhs for the sales relating to the year (Previous year: Rs. 1,252.68 lakhs).

30 Other income

Interest income on:		
- Bank deposits	6.64	17.19
- Others	103.58	56.13
Profit on sale of assets	744.61	662.79
Dividend income		
- From mutual fund investment	-	0.36
Gain on sale of current investments (net)	129.08	333.70
Net gain on financial assets mandatorily measured at fair value through profit or loss	57.68	400.52
Gain on modification of financial liability	172.52	-
Rental income	24.00	24.00
Scrap sales	5.49	15.08
Provision/Liabilities no longer required written back	93.72	145.40
Miscellaneous income	23.36	2.76
Total	**1,360.68**	**1,657.93**

31 Cost of materials consumed

Inventory of materials at the beginning of the year	49.76	40.15
Add: Purchases	1,662.25	1,698.99
Less: Inventory of materials at the end of the year	46.70	49.76
Cost of food and beverages consumed	**1,665.31**	**1,689.38**

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(All amounts in Rs. lakhs, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
32 Employee benefit expense		
Salaries, wages and bonus	10,086.15	10,940.53
Contribution to provident and other funds	572.83	410.78
Stock compensation recharge expense	54.53	261.10
Gratuity	120.22	84.39
Compansated absences	98.55	94.74
Staff welfare expenses	850.47	1,148.54
Total	**11,782.75**	**12,940.08**
33 Finance cost		
Interest and finance charges on financial liabilities measured at amortized cost	851.00	884.70
Total	**851.00**	**884.70**
34 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	2,179.98	1,910.93
Amortisation of intangible assets	181.68	196.24
Total	**2,361.66**	**2,107.17**
35 Other expenses		
Consumption of stores and spares	355.87	345.59
Power and fuel	1,737.55	1,546.28
Rent	3,235.77	3,214.08
Repairs and maintenance:		
-Building	169.91	168.01
-Plant and machinery	375.96	399.70
-Others	352.77	296.90
Insurance	38.91	36.75
Rates and taxes	234.35	268.59
Guest supplies	414.53	315.10
Laundry expenses	263.82	208.97
Communication	297.70	334.43
Recruitment and training	212.24	179.10
Travel and tours	381.48	409.13
Legal and professional	1,182.11	824.27
Directors' sitting fees	13.77	13.82
Payment to statutory auditors:		
As Auditor:		
- Statutory audit	31.00	31.00
- Limited review	15.00	12.00
For other audit services:		
- Other services	-	2.50
Reimbursement of expenses	3.43	2.35
Travel and conveyance	754.14	843.32
Security charges	330.50	296.62
Water charges	198.39	197.81
Sales commission	1,252.07	870.59
Sales promotion	2,277.25	2,281.27
Exchange loss	12.22	10.48
Bank charges	302.14	242.28
Bad debts	0.15	2.93
Provision for doubtful debts	6.09	24.38
Provision for doubtful advances	58.49	31.99
Printing and stationery	85.34	104.81
Miscellaneous expenses	504.69	411.21
Total	**15,097.64**	**13,926.26**

(All amounts in Rs. lakhs, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
36 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	15.98	-
Total current tax expense	**15.98**	-
Deferred tax		
Decrease (increase) in deferred tax assets	5.36	(22.83)
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**5.36**	**(22.83)**
Income tax expense	**21.34**	**(22.83)**
1 Income tax expense		
Particulars		
Profit from continuing operations before income tax expense	(2,936.50)	(4,288.92)
Tax expense / (income) computed at applicable tax rates	(919.76)	(1,391.54)
Net Tax effects of amount which are deductible/disallowed in calculating taxable income - other than temporary differences	(18.96)	20.39
	(938.72)	(1,371.15)
Tax effect of unrecognised tax losses for the year	(960.06)	(1,348.32)
Tax (income) / expense recognised in the year	21.34	(22.83)
Tax losses		
Unused tax losses for which no deferred tax assets have been recognised	27,396.80	25,799.98
Potential tax benefit at applicable tax rates	8,729.09	8,370.80

Tax losses on account of unrecognised deferred tax assets and its date of expiry		
Date of Expiry		
March 31, 2027	-	-
March 31, 2026	202.59	-
March 31, 2025	269.00	7,238.66
March 31, 2024	916.97	971.45
March 31, 2023	14.84	14.84
March 31, 2022	709.56	813.09
March 31, 2021	1,638.14	1,620.08
March 31, 2020	4,157.94	2,184.90
March 31, 2019	1,131.12	19.65
March 31, 2018	-	-
Indefinite period to carry forward	18,356.64	12,937.31
Total	**27,396.80**	**25,799.98**

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l amounts in Rs. lakhs, unless otherwise stated)

Fair value measurements

Financial instruments by category

	March 31, 2018			March 31, 2017		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	1.67	1,669.22	-	2.65	1,420.74	-
- Mutual funds	867.74	-	-	5,410.83	-	-
Trade receivables	-	-	11,606.05	-	-	10,913.98
Unbilled revenue	-	-	162.88	-	-	70.91
Cash and cash equivalents	-	-	247.94	-	-	220.61
Bank balances other than above	-	-	48.32	-	-	53.09
Security deposits	-	-	862.04	-	-	946.49
Interest accrued on fixed deposits	-	-	24.82	-	-	18.58
Other receivables	-	-	597.59	-	-	527.10
Total financial assets	**869.41**	**1,669.22**	**13,549.64**	**5,413.48**	**1,420.74**	**12,750.76**
Financial liabilities						
Borrowings	-	-	7,743.30	-	-	8,511.86
Trade payables	-	-	3,298.24	-	-	2,509.39
Capital creditors	-	-	1,056.24	-	-	1,041.40
Contingent consideration	610.83	-	-	531.16	-	-
Security deposits	-	-	75.67	-	-	74.34
Employee related liabilities	-	-	-	-	-	1,250.96
Other liabilities	-	-	123.62	-	-	70.32
Share application money	-	-	0.26	-	-	0.26
Total financial liabilities	**610.83**	-	**12,297.33**	**531.16**	-	**13,458.53**

This summary includes all financial instruments valued based on the principles of Ind AS 109- Financial Instruments.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Mutual funds-Growth Plan	7	867.74	-	-	867.74
Equity Instruments	7	1.67	-	-	1.67
Financial Investments at FVOCI:		-	-	-	-
Equity Instruments	7	-	1,669.22	-	1,669.22
Total financial assets		**869.41**	**1,669.22**	-	**2,538.63**

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(All amounts in Rs. lakhs, unless otherwise stated)

Financial liabilities					
Financial Liabilities at FVTPL					
Contingent consideration	21(a)	-	-	610.83	610.83
Total financial liabilities		-	-	**610.83**	**610.83**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	10	-	-	862.04	**862.04**
Total financial assets		-	-	**862.04**	**862.04**
Financial Liabilities					
Borrowings	20(a) and 20(b)	-	-	7,743.30	7,743.30
Total financial liabilities		-	-	**7,743.30**	**7,743.30**

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:					
Mutual funds-Growth Plan	7	5,410.83	-	-	5,410.83
Equity Instruments	7	0.91	1.74	-	2.65
Financial Investments at FVOCI:					
Equity Instruments	7	-	1,420.74	-	1,420.74
Total financial assets		**5,411.74**	**1,422.48**	-	**6,834.22**
Financial liabilities					
Financial Liabilities at FVTPL					
Contingent consideration	21(a)	-	-	531.16	531.16
Total financial liabilities		-	-	**531.16**	**531.16**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	10	-	-	946.49	946.49
Total financial assets		-	-	**946.49**	**946.49**
Financial Liabilities					
Borrowings	20(a) and 20(b)	-	-	8,511.86	8,511.86
Total financial liabilities		-	-	**8,511.86**	**8,511.86**

ll amounts in Rs. lakhs, unless otherwise stated)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.
The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include the use of market prices based on recently concluded transaction by the company for the instruments. The resulting fair value estimate is included in level 2 .
The valuation model to value contingent consideration, considers the present value of expected payment discounted using a discount rate of 15%. The expected payment includes interest as agreed.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2018		March 31, 2017	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Security deposits	862.04	862.04	946.49	946.49
Total financial assets	**862.04**	**862.04**	**946.49**	**946.49**
Financial liabilities				
Borrowings	7,743.30	7,743.30	8,511.86	8,511.86
Total financial liabilities	**7,743.30**	**7,743.30**	**8,511.86**	**8,511.86**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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8 Financial risk management

The group's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of portfolio, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Analysis of market rates on a real time basis, pre-closure of loans

The group's risk management is carried out by a central treasury department under policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, non-derivative financial instruments and investment of excess liquidity.

) Credit risk
Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures towards outstanding receivables.

(i) Credit risk management
Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, The Company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1 : High-quality assets, negligible credit risk
C2 : Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information including the following indicators:

- Internal credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increase in credit risk on other financial instruments of the same borrower
- Significant changes in the expected performance and behaviour of the borrower and customer, including changes in the payment status of borrowers in the company, expected acceptances of the instruments and changes in the operating results of the borrower.

A default on a financial asset is when the counterparty fails to make contractual payments on the due date. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Mangement makes necessary course corrections and evaluation of credit loss based on the assessment of a default on a continuing basis.

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(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Internal credit rating	Category	Description of category	Basis for recognition of expected credit loss provision		
			Investments	**Loans and deposits**	**Trade receivables**
C1	High quality assets, negligible credit risk	Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Lifetime expected credit loss
C2	Doubtful assets, credit impaired	Assets are provided for when there is no reasonable expectation of recovery. The Company categorises a loan or receivable for provisioning when the debtor fails to make the contractual payments for over 12 months. When the loans or receivables have been provided for, the Company continues to engage in enforcement activity to attempt to recover the receivable/cancel contracts as appropriate. When recoveries are made these are recognised in profit or loss.	Asset is provided for fully		

For the Year ended March 31, 2018:

(a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Rs. 1.74 lacs (March 31, 2017: Nil) for Investments. Accordingly provision has been provided in books for this financial asset.

(b) Expected credit loss for trade receivables under simplified approach (including provision for cancellation of contracts)

Customer credit risk is managed by the company based on the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal credit rating system. Outstanding customer receivables are regularly monitored and assessed for its recoverability. The company classifies the receivables as high quality assets or doubtful assets based on the past performance of the portfolio. As on March 31, 2018 the Company determined that the expected cancellation rate on initial recognition is 16.1% based on which the company has recognised an amount of INR 919.66 lakhs (March 2017: INR 1252.68 lakhs) as provision for cancellation of contracts on initial recognition during the year. Additionally the Company performs subsequent assessment for cancellation of contracts and such adjustments are considered in revenue. Also refer Note 30.

(iii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1 April 2016	-
Changes in loss allowance	106.67
Loss allowance on March 31, 2017	**106.67**
Changes in loss allowance	(2.22)
Loss allowance on March 31, 2018	**104.45**

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ll amounts in Rs. lakhs, unless otherwise stated)

) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows and also reviews timing of liquidation of marketable securities

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2018	March 31, 2017
Floating rate		
- Expiring within one year (bank overdraftand other facilities)	106.67	21.14
- Expiring beyond one year (bank loans)	1,387.69	-
Marketable securities *(including investments held for sale)**	867.74	4,598.75

* Does not include investments offerred as security for loan taken by a subsidiary

Marketable securities: The marketable securities can be disposed by the Company at any point of time based on the objects and working capital requirement of the Company

The bank overdraft facilities may be drawn at any time. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian Rupees.

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:
There are no derivative financial instruments.
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.

Contractual maturities of financial liabilities:

	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
March 31, 2018						
Non-derivatives						
Borrowings	1,347.38	1,394.01	731.24	1,071.51	3,318.86	7,863.00
Trade payables	3,298.24	-	-	-	-	3,298.24
Contingent consideration	-	-	-	702.46	-	702.46
Other financial liabilities	1,196.16	-	-	59.62	-	1,255.78
Total non-derivative liabilities	**5,841.78**	**1,394.01**	**731.24**	**1,833.59**	**3,318.86**	**13,119.48**

	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
March 31, 2017						
Non-derivatives						
Borrowings	631.26	537.66	1,042.44	1,828.31	4,412.92	8,452.59
Trade payables	2,509.39	-	-	-	-	2,509.39
Contingent consideration	-	-	-	-	702.46	702.46
Other financial liabilities	2,367.09	-	-	70.19	-	2,437.28
Total non-derivative liabilities	**5,507.74**	**537.66**	**1,042.44**	**1,898.50**	**5,115.38**	**14,101.72**

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Market risk- Interest rate risk

The group's main interest rate risk arises from long term borrowings with variable interest rates, which exposes the Company to cash flow interest rate risk. The Company analyses the market rates on a real time basis and pre- closes/exchanges the variable interest rate instruments for fixed interest instruments in times of high interest rates and vice-versa to mitigate the risk. The exposure of the group's borrowings to interest rates are as below:

	March 31, 2018	March 31, 2017
Variable rate borrowings	2,432.59	2,943.69
Fixed rate borrowings	5,310.71	5,568.17
	7,743.30	8,511.86

	March 31, 2018			March 31, 2017		
	Weighted average interest rate	Balance loan amount	% of total loans	Weighted average interest rate	Balance loan amount	% of total loans
Borrowings from banks and others	10.00%	2,432.59	31.42%	10.87%	2,943.69	34.58%

Sensitivity analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of change in the interest rates. If the weighted average rate of the variable interest rate borrowings increase/decrease by 1% the interest expense will increase/decrease by Rs.24.33 lakhs (March 31, 2017: Rs. 16.81 lakhs).

Capital management

The Company's objectives when managing capital are to:

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

The Company's strategy is to maintain a net debt to equity ratio within 0.5.The ratio is as follows:

	As at March 31, 2018	As at March 31, 2017
Total Liabilities	7,743.31	8,511.87
Less: Cash and cash equivalents	(296.26)	(273.70)
Adjusted net debt	7,447.05	8,238.16
Total equity	16,376.29	18,993.97
Adjusted net debt to equity ratio	**0.45**	**0.43**

(All amounts in Rs. lakhs, unless otherwise stated)

39 **Related party transactions**

(a) Parent entities

The group is controlled by following entity:

Name of entity	Type	Place of business	Ownership interest held by the group	
			March 31, 2018	March 31, 2017
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	Canada	-	-
Thomas Cook (India) Limited	Holding Company	India	100%	100%

(b) Fellow Subsidiaries with whom transactions have been entered

Name of entity

Quess Corporation Limited
CentreQ Business Services Ltd
Coachieve Solutions Pvt Ltd
Travel Corporation (India) Limited
Thomas Cook (Mauritius) Holidays Limited
Distant Frontiers Tours Private Limited
SOTC Travel Services Private Limited

(c) Key management personnel

Mr. Ramesh Ramanathan (Managing Director)

(d) Transactions with related parties

The following transactions with related parties:

Key management personnel compensation

Mr. Ramesh Ramanathan (Managing Director)

	March 31, 2018	March 31, 2017
Short-term employee benefits	172.80	143.70
Post-employment benefits	12.96	10.00
Employee share based payment	27.79	20.41
Total compensation	**213.55**	**174.11**
Sale of Services		
Thomas Cook (India) Limited	71.95	87.08
SOTC Travel Services Private Limited	167.09	126.51
Sale of investment during the year		
SOTC Travel Services Private Limited	-	8,499.99
Distant Frontiers Tours Private Limited	-	1,500.01
Rent paid		
Thomas Cook (India) Limited	1.35	2.62
Rent received		
Thomas Cook (India) Limited	24.00	24.00
Travel booking		
Thomas Cook (India) Limited	184.68	30.80
Recruitment expenses paid		
Quess Corp Limited	36.97	0.90
HR Payroll process service charges paid		
CentreQ Business Services Ltd	29.19	-
Coachieve solutions Pvt Ltd	17.91	-
Consultancy expenses paid		
Thomas Cook (India) Limited	-	84.42
Thomas Cook (Mauritius) Holidays Ltd.	-	52.09

(g) Outstanding balances as at year end

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	March 31, 2018	March 31, 2017
Trade payables		
Thomas Cook (India) Limited	246.39	132.63
Thomas Cook (Mauritius) Holidays Ltd.	-	-
Quess Corporation Limited	33.43	
CentreQ Business Services Ltd	5.62	
Coachieve solutions Pvt Ltd	2.49	-
Advances from customers		
SOTC Travel Services Pvt Ltd	-	5.48
Total payable to related parties	**287.93**	**138.12**
Trade receivable		
SOTC Travel Services Private Limited	51.14	89.37
Thomas Cook (India) Limited	62.21	19.28
Total receivable from related parties	**113.35**	**108.65**

40 Segment information

Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Managing Director (MD) of the company has been identified as the chief operating decision maker of Sterling Holiday Resorts Limited who assesses the financial performance and position of the Company and makes strategic decisions. The Company has only one reportable segment as described below:

- Vacation ownership and resort operations: This segment deals with timeshare business on account of vacation ownership and the resort business.

The Company does not have any geographical segments, since all their operations are conducted within India.

41 The Company continues to invest in refurbishment/redevelopment of the existing resorts and also plans for developing Greenfield resorts. The Company expects to sustain the growth in the turnover and improve profitability in the ensuing years and generate cash by selling non-core assets. Additionally the company has certain non-core investments amounting to Rs. 1768.63 lakhs (excluding investments offered as security) which can be sold if required. Accordingly, these financial statements are prepared on a going concern basis.

42 Particulars of goodwill arising on consolidation

	As at March 31, 2018	As at March 31, 2017
Entity		
Sterling Holidays Ooty Limited	576.47	576.47
Sterling Holiday Resorts Kodaikanal Limited	710.90	710.90
Nature Trails Resorts Private Limited	71.04	71.04
Total	**1,358.41**	**1,358.41**

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43 Contingent liabilities and contingent assets

	As at March 31, 2018	As at March 31, 2017
Contingent liabilities		
Claims against the Company not acknowledged as debt:		
(a) In respect of Income tax matters:		
Advance Subscription towards Customer Facilities (ASCF)/Entitlement fee being 55%/40% of sale value is treated as Deferred Income and recognised as income over the period of entitlement. In respect of Assessment Years 1997-98 to 2001-02, the Income Tax Appellate Tribunal, Chennai (ITAT) has passed orders against the said accounting treatment followed by the Company and to treat them as income in the respective year of receipt. The Company has appealed against these Orders before Hon'ble High Court of Madras and the case is pending. The ITAT, Chennai has recently decided in favour of Company's accounting treatment of ASCF for Assessment years 2002-03, 2006-07, 2007-08 and 2008-09 against which department has gone on appeal.		
In respect of Assessment Years 2010-11 to 2013-14 against orders received from Assessing Officer (AO), with reference to treatment of ASCF/Entitlement fee and in respect of Assessment Years 2006-07 to 2013-14 for other disallowances, the Company has filed appeals before Commissioner of Income Tax Appeals, Chennai. The Commissioner of Income Tax Appeals has recently decided in favour of Company's accounting treatment of ASCF for Assessment year 2009-10 against which the department has gone on appeal. There is no tax liability on account of such orders owing to carry forward losses and unabsorbed depreciation available under Income Tax Act.		
In respect of AY 1999-2000, The Assessing officer (AO) has added notional interest with the returned income of Manchanda Resorts Private Limited (Since merged with the company w.e.f., April 1, 2012). The Commissioner of Income Tax Appeals has confirmed the addition of the AO. The company has filed appeals with Income Tax Tribunal for this matter and the case is pending as of date. There is no tax liability on account of such order owing to carry forward losses and unabsorbed depreciation available under Income Tax Act.		
(b) In respect of Service tax matters:		
'Demand towards service tax matters in respect of which stay order obtained	557.04	557.04
Show cause notice has been issued for wrong availement of service tax input credit	12.49	2.47
(excludes show cause notices aggregating Rs. 8,286.08 lakhs which have been responded by the company/ stay order obtained and against which no demands have been raised as of date)		
(c) Others:		
Luxury tax related demands under appeal	2,093.77	1,213.08
VAT related matters	41.17	41.17
Customer, vendor, employee and property related disputes under appeal	1,496.84	1,027.44

The Company has filed an appeal against the above matters which is pending disposal. Future cash flows in respect of above, if any, is determinable only on receipt of judgement/ decision pending with relevant authorities.

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l amounts in Rs. lakhs, unless otherwise stated)

4 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2018	As at March 31, 2017
Property, plant and equipment	307.31	3,106.99
	307.31	**3,106.99**

(b) Non-cancellable operating leases

The company leases properties under non-cancellable operating leases expiring within 1 to 12 years with the option to extend the same with mutual consent. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

	As at March 31, 2018	As at March 31, 2017
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	2,072.54	2,131.76
Later than one year but not later than five years	8,694.79	7,862.18
Later than five years	3,352.55	2,287.85
	14,119.88	**12,281.79**

Rental expense relating to operating leases

	Year ended March 31, 2018	Year ended March 31, 2017
Minimum lease payments	3,235.77	3,214.08
Total rental expense relating to operating leases	**3,235.77**	**3,214.08**

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45 Property related matters

a During the financial year 2011-12, pursuant to One Time Settlement (OTS) scheme, the Company had fully settled the dues of a Financial Institution (FI) and also obtained a 'No Due' certificate. However, the FI has not released the title deeds of the properties given as security for the reason that a Third Party has filed a writ petition against the FI challenging the cancellation of sale of the said property to them. The Company is also a party to the said writ petition. The said writ petition was disposed off by Hon'ble High Court of Madras, against the Company. The Company has preferred Special Leave Petition (SLP) before the Hon'ble Supreme Court of India and the Court has ordered 'Status quo' in all respects concerning the said properties. The net book value of land and building as at March 31, 2018 in respect of the said property aggregates to Rs. 4,490.32 lakhs (March 31, 2017: Rs. 4,587.92 lakhs). In view of management and based on the independent legal opinion obtained , the Company has a fair chance to succeed in appeal pending before Hon'ble Supreme Court of India.

b The Company had in the past transferred a property at Goa and part of the sale consideration amounting to Rs. 527.10 lakhs (March 31, 2017: Rs. 527.10 lakhs) (included under "Other Financial Assets") is retained by the buyer pending compliance of certain conditions. The Company is confident of recovering this amount as it has taken effective steps for discharge of its obligations. The Company is also legally advised that it has the right of vendor's lien against the immovable property sold to the extent of amount due. The Company has filed a suit against the buyer for recovery of the amount. In view of the aforesaid, the above amount is considered good and recoverable by Management.

c The Company had in the past transferred a property of 7.3 acres out of 10.3 acres land parcel at Chail for consideration and with a condition that the buyer would construct 10 cottages in the 3 acres land retained by the Company and handover the same. However, the buyer had taken the possession of the entire parcel of land and had not fulfilled the condition. The book value of the land is Rs. 87.36 lakhs. The title deeds for 3 acres of land is not available with the Company. There is an arbitration award in favour of the Company which the Company is enforcing in the court of law. The Company is of the view that it has a fair chance to succeed in its plea.

d **Other Property related matters**

Property	Written down value	Remarks
Kodai Valley view	108.94	Title documents submitted with court as part of the plaint filed in response to litigation for title.
Hubli	6.61	Sale deed not registered in the name of the Company. Company has paid the entire consideration and taken over possession of the property. Seller company has been liquidated. Company needs to file necessary suit to register the title.
Peermedu	1,514.56	The Company is in possession of a leasehold land in Peermedu under finance lease. The lease deed relating to this land is yet to be registered. The Company has approached the Sub-court of Kattappana for suo-moto registration of the title deed in its name, based on underlying sale agreements.

46 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2016-17, to the extent of the Company has received intimation from the "Suppliers" regarding their status under the Act

		For the year ended March 31, 2018	For the year ended March 31, 2017
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8.44	1.55
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
ii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
.v	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
v	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act,beyond the appointed day during the year	-	-
vi	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
ii	Further interest remaining due and payable for earlier years	-	-

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7 The composite Scheme of Arrangement and Amalgamation ("the Scheme") between Thomas Cook Insurance Services (India) Limited (now known as Sterling Holiday Resorts Limited) ("the Company"), Thomas Cook (India) Limited ("TCIL") and erstwhile SHRIL and their respective shareholders and creditors has been sanctioned by the High Court of Judicature at Mumbai and the High Court of Judicature at Madras on July 2, 2015 and April 13, 2015, respectively, and made effective on August 18, 2015. In terms of the said Scheme, the Timeshare and Resort business of erstwhile SHRIL ("Demerged Undertaking") has been demerged and transferred to and vested with the Company as a going concern and the residual SHRIL has been amalgamated with TCIL. The appointed date of the Scheme is April 1, 2014.

In accordance with the said Scheme :

a the assets and liabilities of the Demerged Undertaking as on April 1, 2014 have been taken over by the Company and have been recorded at their respective book values, ignoring revaluations.

b the Equity Shares (including equity shares acquired after appointed date) held by the Company in erstwhile SHRIL have been cancelled.

c the difference of Rs. 22,984.06 lakhs between the book values of net assets of the Demerged Undertaking recorded in the books of the Company as above and the value of investments in erstwhile SHRIL in the books of the Company, has been adjusted against Securities Premium Account.

d an amount of Rs. 274 lakhs relating to current tax provision was reversed and an amount of Rs. 4.2 lakhs relating to deferred tax asset was reversed into retained earnings consequent to the scheme

e in consideration for transfer of Demerged Undertaking into the Company, 116 equity shares of TCIL of Re. 1 each has been issued to the shareholders of erstwhile SHRIL for every 100 shares of Rs. 10 each held in erstwhile SHRIL.

The transitional provisions relating to Ind AS 101 has been applied after incorporating the scheme of merger as the appointed date is effective from April 1, 2014. Accordingly, the equity considered as on April 1, 2015 is after giving effect to the above merger.

8 **Assets pledged as security**

	As at March 31, 2018	As at March 31, 2017
Financial assets		
Receivables	1,090.58	1,639.24
Inventories	3.98	13.72
Other current assets	72.04	395.00
Investments	770.00	770.00
Non-current		
Freehold land	3,025.04	282.28
Freehold buildings	8,180.07	4,698.02
Moveable assets	5,940.57	4,452.10

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(All amounts in Rs. lakhs, unless otherwise stated)

49 Share based payments

(a) Employee option plan

The options outstanding as at April 01, 2015, represent the unvested options granted by the erstwhile Sterling Holiday Resorts (India) Limited (SHRIL) which was merged with the Company as per the scheme mentioned in Note 51 and was subsequently replaced by the options of Thomas Cook India Limited, the holding company, at fair value. These replaced options have been presented as forfeited and the options of Thomas Cook India Limited issued in lieu of these replaced options have been presented as new grants in this disclosure. Further all other options mentioned in this disclosure represent the number of options granted by Thomas Cook India Limited, the holding company to the employees of the company. This disclosure is based on the information relating to the scheme shared by the holding company.

The Employee Share Option Scheme (ESOS 2012) was designed to provide incentives to the employees to deliver long term returns. Under the plan ESOS 2012 (Grant I), 40%, 30% and 30% of the options granted vest in a period of 12 months, 24 months and 36 months respectively from the grant date. Under the plan ESOS 2012 (Grant II), the options granted vest equally in a period of 12 months, 24 months, 36 months and 48 months from the grant date. Once vested the options under both the schemes remain exercisable for a period of one year. These ESOS's were granted by erstwhile SHRIL.

Under Employee Share Option Scheme 2015 (ESOP 2015) granted by Thomas Cook India Limited, the holding Company, 33%, 33% and 34% of the options granted vest in a period of 12 months, 24 months and 36 months respectively from the grant date. Once vested the options remain exercisable for a period of 10 years from the date of grant.

i) Summary of options granted under plan :

	March 31, 2018		March 31, 2017	
ESOS 2012 (Grant I)	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	-	-	-	34,598
Granted during the year	-	-	-	-
Exercised during the year	-	-	80.00	18,619
Forfeited during the year	-	-	-	15,979
		-		-

	March 31, 2018		March 31, 2017	
ESOS 2012 (Grant II)	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	-	150,490	-	289,800
Granted during the year	-	-	-	-
Exercised during the year	108.46	36,040	108.46	60,260
Forfeited during the year	-	22,800	-	79,050
		91,650		**150,490**

	March 31, 2018		March 31, 2017	
ESOP 2015	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	-	530,708	-	721,400
Granted during the year	-	-	-	-
Exercised during the year	165.92	147,218	165.92	87,158
Forfeited during the year	-	81,300	-	103,534
		302,190		**530,708**

ii) Share options outstanding at the end of year have following expiry date and exercise prices

				Share options	
	Grant date	**Expiry date**	**Exercise price**	**March 31, 2018**	**March 31, 2017**
ESOS 2012 (Grant II)	July 30, 2014	July 29, 2017	108.46	61,050	64,090
		July 29, 2018	108.46	15,300	43,200
		July 29, 2019	108.46	15,300	43,200
ESOP 2015	August 25, 2015	August 24, 2025	165.92	302,190	530,708

iii) Fair value of options granted

There were no options granted during the year ended March 31, 2018.

(b) Expense arising from share based payment transaction

	March 31, 2018	March 31, 2017
Employee option plan	54.53	261.10

(All amounts in Rs. lakhs, unless otherwise stated)

50 Earnings per share

	March 31, 2018	March 31, 2017
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	(2,957.84)	(4,266.09)
Weighted average number of equity shares outstanding	29,050,000	29,050,000
Basic/Diluted earnings per share	**(10.18)**	**(14.69)**

51 Change in classification

The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013" by the Institute of Chartered Accountants of India.

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 28, 2018

For and on behalf of the Board of Directors

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

Place: Chennai
Date: May 17, 2018

Independent Auditor's Report

To The Members of **SOTC Travel Management Private Limited (formerly Sita Travels and Tours Private Limited)**

1. **Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of **SOTC Travel Management Private Limited (formerly Sita Travels and Tours Private Limited)** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

2. **Management's Responsibility for the Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (" the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate

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in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

4. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. **Report on Other Legal and Regulatory Requirements**

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. As required by Section143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 25 May 2018

Annexure A as referred to in Paragraph 5(I) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of SOTC Travel Management Private Limited (formerly Sita Travels and Tours Private Limited) on the financial statements for the year ended 31 March 2018.

i. The Company does not have any fixed assets; hence the requirement of clause (i) of paragraph 3 of the Order is not applicable.

ii. Considering the nature of business activity carried out by the Company, the Company does not have any inventory. Hence the requirement of the clause (ii) of paragraph 3 of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.

iv. According to the records of the Company, examined by us and information and explanations given to us, the Company has neither given any loans/guarantees, made investments nor have provided securities within the provisions of Sections 185 and 186 of the Act.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.

vi. The Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products of the Company.

vii. According to the records of the Company, examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.

b) There are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.

viii. The Company has not taken any loan from banks/financial institutions/government or issued debentures during the year.

ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and the Company has not taken any term loan during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, and information and explanations given to us, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.

xiii. According to the records examined by us, and information and explanations given to us, transactions with the related parties are in compliance with Sections 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the accounting standards. Further, as explained to us, the provisions of Section 177 are not applicable to the Company.

xiv. According to the records of the Company examined by us, and information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

mgb&co LLP chartered accountants

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 25 May 2018

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 5(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company on the Ind AS financial statements for the year ended 31 March, 2018.

We have audited the internal financial controls over financial reporting of **SOTC Travel Management Private Limited (formerly Sita Travels and Tours Private Limited)** ("the Company") as of 31 March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

mgb&co LLP CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 25 May 2018

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)
Balance sheet as at 31 March, 2018

(In Rupees)

	Notes	2018	2017
ASSETS			
Current Assets			
Financial assets			
- Cash and cash equivalents	3	42,090	1,988
- Other bank balances	4	-	50,000
- Other financial assets	5	-	2,855
Total current assets		42,090	54,843
TOTAL ASSETS		**42,090**	**54,843**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	100,000	100,000
Other equity	7	(71,709)	(52,057)
Total equity		**28,291**	**47,943**
Current liabilities			
Other financial liabilities			
- Other payables	8	13,799	6,900
Total Current liabilities		**13,799**	**6,900**
TOTAL EQUITY AND LIABILITIES		**42,090**	**54,843**
		-	-

As per our attached report of even date **1-18**

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

mgb&co LLP CHARTERED ACCOUNTANTS

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date: 25 May 2018

For and on behalf of the Board

Vishal Suri
Director

Dipak Deva
Director

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Statement of profit and loss for the year ended 31 March, 2018

(In Rupees)

	Notes	2018	2017
Revenue			
Interest income	9	1,009	5,390
Total Income		**1,009**	**5,390**
Expenses			
Other Expenses	10	20,661	42,844
Total Expenses		**20,661**	**42,844**
Profit / (loss) before tax		**(19,652)**	**(37,454)**
Less: Tax expense			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) after tax		**(19,652)**	**(37,454)**
Other comprehensive income		-	-
Total comprehensive income		**(19,652)**	**(37,454)**
Earnings per equity share			
Basic and diluted		(1.97)	(3.75)

As per our attached report of even date 1-18

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date: 25 May 2018

For and on behalf of the Board

Vishal Suri
Director

Dipak Deva
Director

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Statement of changes in equity (In Rupees)

a) Share Capital	2018		2017	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	10,000	100,000	10,000	100,000
Changes during the year	-	-	-	-
Balance at the end of the year	10,000	100,000	10,000	100,000

b) Reserves and Surplus	Retained earnings	Total Equity
Balance at 1 April , 2016	**(14,603)**	**(14,603)**
Profit/ (Loss) for the year	(37,454)	**(37,454)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(37,454)**	**(37,454)**
Balance at 31 March, 2017	**(52,057)**	**(52,057)**
Profit/ (Loss) for the year	(19,652)	(19,652)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(19,652)**	**(19,652)**
Balance at 26 March, 2018	**(71,709)**	**(71,709)**

As per our attached report of even date

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date: 25 May 2018

For and on behalf of the Board

Vishal Suri
Director

Dipak Deva
Director

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Statement of cash flow for the year ended 31 March 2018

(In Rupees)

	2018	2017
Cash flow from operating activities		
Profit/ (loss) before tax	(19,652)	(37,454)
Profit/ (Loss) before tax	(19,652)	(37,454)
Adjustments for		
Interest income	(1,009)	(5,390)
	(20,661)	(42,844)
Operating profit before working capital changes		
Increase/ (Decrease) in trade and other payables	6,899	30
	(13,762)	(42,814)
Direct Taxes paid (net)	-	-
Net cash used in operating activities	(13,762)	(42,814)
Cash flow from investing activities		
Interest received	3,864	7,766
Redemption in bank deposits for more than 3 months	50,000	30,000
Net cash flows from investing activities	53,864	37,766
Cash flow from financing activities	-	-
Net cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	40,102	(5,048)
Cash and cash equivalents at the beginning of the year	1,988	7,036
Effect of exchanges rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	42,090	1,988

Notes to Cash Flow Statements
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 "Cash Flow Statements".

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date: 25 May 2018

For and on behalf of the Board

Vishal Suri
Director

Dipak Deva
Director

1 **Corporate information**

The Company is a wholly owned subsidiry of Thomas Cook (India) Limited (w.e.f. 26 March 2018)

2.1 **Significant accounting policies**

(a) **Basis of preparation of financial statements**

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ending on 31 March 2018.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) **Revenue recognition**

Interest income

Interest income is recognised using effective interest rate basis taking into account the amount outstanding and the applicable interest rate.

(c) **Accounting for taxes on income**

Tax expenses comprises of current tax and deferred tax

i) **Current tax**

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

ii) **Deferred tax**

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(d) **Transactions in foreign currencies**

The functional currency of the Company is Indian Rupees ("Rs."). The financial statements are presented in Indian Rupees

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost, at the exchange rate prevelant at the date of the transaction.

(e) **Financial Instruments**

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

i) **Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) **Subsequent Measurement**

(a) Financial assets

Financial assets are classified into the following specified categories: Amortised cost, Fair value through other comprehensive income (FVTOCI), Fair value through profit or loss' (FVTPL). The classification depends on the Company's business model for managing the and the contractual terms of cash flows.

Debt Instruments

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL.

However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset when 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.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognized as an impairment gain or loss in the statement of profit or loss.

(b) Financial liabilities

Amortised Cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognized 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 recognized in the statement of profit or loss.

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iii) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet 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.

iv) **Determination of fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

(e) **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

(f) **Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

(g) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) **Use of estimate**

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities . Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

(i) **Critical accounting judgment and estimates**

i) **Contingencies and commitments**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

ii) **Impairment testing**

a. Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

b. Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

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iii) **Tax**

a) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

b) Accruals for tax contingencies require management to make judgments and estimates in relation to tax audit issues and exposures.

c) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

(j) **Standards issued but not yet effective :**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018

Ind AS 115 "Revenue from Contracts with Customers:

The Company is evaluating the impact of this Ind AS on the financial statements

Amendment to Ind AS 102

Ind AS 12 "Income Taxes

The amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions

Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences

Ind AS 21 "The Effects of Changes in Foreign Exchange Rates

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Company's functional currency by applying the spot exchange rate on the date of transaction

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction

However, based on the current financial position, there is no impact of these standards

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(In Rupees)

		2018	2017
3	**Cash and cash equivalents**		
	Balance with bank in current account	42,090	1,988
		42,090	**1,988**
4	**Other bank balances**		
	Deposits with original maturity upto twelve months	-	50,000
		-	**50,000**
5	**Other financial assets**		
	Interest receivable	-	2,855
		-	**2,855**

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SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Notes forming part of the financial statements

(In Rupees)

	2018	2017
6 Share Capital		
a Authorised :		
Equity Shares of Rs. 10 each 10,000 shares (2016:10,000; 2015: 10000) Equity shares	100,000	100,000
	100,000	100,000
b Issued and Subscribed and Paid up:		
10,000 shares (2016:10,000; 2015: 10000) Equity shares fully paid up	100,000	100,000
	100,000	100,000

c Reconciliation of number of equity shares outstanding at the beginning and end of the year

	2018	2017
Outstanding at the beginning of the year	10,000	10,000
Outstanding at the end of the year	10,000	10,000

d Terms / Rights attached to each classes of shares

1. Terms / Rights attached to Equity shares

The Company has only one class of equity shares with voting rights having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

	2018		2017	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
SOTC Travel Services Private Limited (Formerly known as 'Kuoni Travel (India) Private Limited') (ceased to be w.e.f. 25 March 2018)	-	-	10,000	100,000
Thomas Cook (India) Limited (w.e.f 26 March 2018)	10,000	100,000	-	-

f Shareholders holding more than 5% shares in the company is set out below:

	2018		2017	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
SOTC Travel Services Private Limited (Formerly known as 'Kuoni Travel (India) Private Limited') (ceased to be w.e.f. 25 March 2018)	-	-	10,000	100,000
Thomas Cook (India) Limited (w.e.f 26 March 2018) refer note 14	10,000	100,000	-	-

g No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceeding 31 March, 2018.

7 Other equity

(In Rupees)

	2018	2017
Retained earnings		
Balance at beginning of the year	(52,057)	(14,603)
Profit/(Loss) attributable to owners of the Company	(19,652)	(37,454)
Other comprehensive income arising from	-	-
	(71,709)	(52,057)

	2018	2017
8 Other financial liabilities		
Other payables	13,799	6,900
	13,799	6,900

mgb&co LLP CHARTERED ACCOUNTANTS

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Notes forming part of the financial statements

		2018	2017
9	**Other Income**		
	Interest Income	1,009	5,390
		1,009	**5,390**
10	**Other Expenses**		
	Rates and Taxes	-	113
	Payment to Auditors- Audit fees	6,900	6,900
	Legal and Professional charges	13,761	35,831
		20,661	**42,844**

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Notes forming part of the financial statements

11 The Board of Directors as per resolution dated 28 May 2016 and subsequently approved by the members in the extraordinary general meeting held on 15 July 2016 have approved the change in the name of the Company. Accordingly, the name of the company has been changed to SOTC Travel Management Private Limited as per revised Certificate of Incorporation dated 15th Aug 2016 issued by the Registrar of Companies, Maharashtra.

12 There are no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March 2018.

13 **Taxes on Income**

(a) In the absence of taxable income during the year, provision for current tax is not required

(b) There are no timing differences as per AS 22 "Accounting for Taxes on Income" issued by ICAI, hence deferred tax assets / liabilities are not accounted for.

14 **Related party disclosures**

Holding Company- Thomas Cook (India) Limited (ceased to be w.e.f. 26 March 2018)

Holding Company- SOTC Travel Services Private Limited (formerly Kuoni Travel (India) Private Limited) till 25 March 2018

Distant Frontiers Tours Private Limited, KAT Management Consulting (Shanghai) Company Limited,KTI Support Services (India) Private Limited#, Sita Destination Management Private Limited, Sita Beach Resorts Private Limited, SOTC Travel Private Limited (Formerly Sita Travel Private Limited) , Sita Incoming (India) Private Limited, Sita Holidays (India) Private Limited, Sita Holiday Resorts Private Limited, Sita World Travel Lanka (Private) Limited, Sita World Travel (Nepal) Private Limited.

(#ceased w.e.f. 15 December 2015)

Key Management Personnel -Vishal Suri, Dipak Deva, Sanjay Shroff

Transactions with related parties during the year.

	2018	2017
Short-term borrowings		
Holding Company	-	200,000
Repayment of short-term borrowings		
Holding Company	-	200,000

There are no outstanding balances with related parties during the year.

15 **Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Profit attributable to Equity shareholders (In Rupees)

	2018	2017
Profit / (loss) after tax	(19,652)	(37,454)
Weighted average number of equity shares	10,000	10,000
Nominal value per share	10	10
Basic and Diluted earnings per share	(1.97)	(3.75)

16 **Financial Instruments**

The Company does not have any financial assets and liablities, except, cash, short-term deposits, Interest accrued, and fees paybles which arise directly from its operations. The Company's financial assets and liability dose not exposed to a variety of financial risks, hence the requisite disclosures are not required.

No transactions are done during the year hence the other disclosures are not required.

17 The Composite Scheme of Arrangement and Amalgamation 'the Scheme' which was approved by the Board in its meeting on 23 April, 2018 between Thomas Cook (India) Limited, Quess Corp Limited, Travel Corporation (India) Limited, TC Forex Services Limited, TC Travel and Services Limited and SOTC Travel Management Private Limited and their respective shareholders and creditors in terms of the provisions of Section 230 to 232 read with Section 66 of the Companies Act, 2013. Pursuant to the relevant Scheme all the assets and liabilities of the Company will be transferred and vest with the Transferee company with Appointed date 1 April 2019. Pending approval and filing of the scheme in the High Court, effect of the same has not been considered in these financial statements

18 Previous years figures have been regrouped, rearranged or recasted wherever necessary to conform to this years classification. Figures in brackets pertain to previous year.

mgb&co LLP CHARTERED ACCOUNTANTS

G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BORDERLESS TRAVEL SERVICES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Borderless Travel Services Limited** (the Company), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (the standalone financial statements).

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in section 133 of the Act read with rules made thereunder and the relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards, of the state of affairs of the Company as at March 31, 2018, its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit & Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

(e) On the basis of the written representations received from the Directors as on March 31, 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2018 from being appointed as a Director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company did not have any pending litigations which would impact its financial position in its financial statements;

   ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

   iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Annexure A - referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date, to the members of the Company on the standalone financial statements for the year ended March 31, 2018

i. The Company does not have any property, plant and equipment and hence, provision of paragraph 3(vi) of the Order is not applicable.

ii. The Company's nature of operations does not require it to hold inventories. Consequently, paragraph 3(ii) of the Order regarding physical verification of inventories and maintenance of records is not applicable.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the paragraphs 3(iii)(a) to (c) of the Order regarding terms and conditions of such loans and repayment of such loans etc. are not applicable to the Company.

iv. The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable to the Company.

We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

vi. The provisions of section 148(1) of the Act relating to maintenance of cost records is not applicable.

vii. (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities applicable undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Goods & Services Tax, cess and other applicable statutory dues with the appropriate authorities. There are no arrears as at March 31, 2018 which were due for more than six months from the date they became payable; and

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income-Tax, Service Tax, Goods & Services Tax and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has neither raised loans from banks and financial institutions nor issued any debentures, therefore the provisions of paragraph 3(viii) of the Order regarding default in repayment of dues to banks and financial institutions and debenture holders is not applicable to the Company.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

ix. The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans. Hence, the provisions of paragraph 3(ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company by its officers and employees have been noticed or reported during the year.

xi. The Company has not paid or provided for any managerial remuneration. Hence, reporting requirements under paragraph 3(xi) of the Order is not applicable.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In respect of transactions with related parties, the Company has complied with provisions of sections 177 and 188 of the Act where applicable. Necessary disclosures relating to related party transactions have been made in the standalone financial statements as required by the applicable accounting standard.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order is not applicable.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Annexure B referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of Borderless Travel Services Limited (the Company) on the Standalone Financial Statements for the year ended March 31, 2018

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Borderless Travel Services Limited
Balance Sheet as at 31 March 2018

(Amount in Rupees)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
- Cash and cash equivalents	2	-	497.0
Total current assets		**-**	**497.0**
TOTAL ASSETS		**-**	**497.0**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	3	50,000.0	50,000.0
Reserve and surplus	4	-4,85,222.3	-4,50,848.0
Total Equity		**-4,35,222.3**	**-4,00,848.0**
LIABILITIES			
Current liabilities			
Other financial liabilities	5	4,34,928.3	3,96,465.0
Other current liabilities	6	294.0	4,880.0
Total current liabilities		**4,35,222.3**	**4,01,345.0**
TOTAL LIABILITIES		**4,35,222.3**	**4,01,345.0**
TOTAL EQUITY AND LIABILITIES		**-**	**497.0**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 6809421
Mumbai, May 21, 2018

Rajeev Kale
Director
DIN No :6775970

Borderless Travel Services Limited

Borderless Travel Services Limited

Statement of Profit And Loss for the year ended 31 March 2018

(Amount in Rupees)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations		-	-
Total income		-	-
Expenses			
Finance Cost	7	345.0	1,863.0
Other expenses	8	34,029.3	88,003.0
Total expenses		**34,374.3**	**89,866.0**
Profit before exceptional item		**-34,374.3**	-89,866.0
Add Exceptional items:		-	-
Less Exceptional items:		-	-
Profit/(Loss) before tax		**-34,374.3**	**-89,866.0**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit/(Loss) for the year (A)		**-34,374.3**	**-89,866.0**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		-	-
Total comprehensive income for the year (A+B)		**-34,374.3**	**-89,866.0**
Earnings/(Loss) per equity share (Face value of INR 1 each)			
- Basic earnings/(loss) per share	13	(6.87)	(17.97)
- Diluted earnings/(loss) per share	13	(6.87)	(17.97)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Registration Number: 104767W

Atul Shah

Partner

Membership No. 039569

Mumbai, May 21, 2018

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt

Director

DIN No. 6809421

Mumbai, May 21, 2018

Rajeev Kale

Director

DIN No :6775970

Borderless Travel Services Limited

STATEMENT OF CHANGES IN EQUITY

(Amount in Rupees)

(A) Share capital	Equity share
Particulars	Amount
Balance as at 31 March 2016	50,000.0
changes in share capital during the year	-
Balance as at 31 March 2017	50,000.0
changes in share capital during the year	-
Balance as at 31 March 2018	50,000.0

(B) Other Equity	Reserves and Surplus	
Particulars	Retained Earnings	Total Reserves and Surplus
Balance as at 31 March 2016	(3,60,982.0)	(3,60,982.0)
Loss for the year	(89,866.0)	(89,866.0)
Other Comprehensive Income, net of tax	-	-
Total Comprehensive Income for the year ending March 31, 2016		
Transaction with owners in their capacity as owners		
Capital Contribution	-	-
Reclassification to Profit & loss account	-	-
Balance as at 31 March 2017	(4,50,848.0)	(4,50,848.0)
Loss for the year	(34,374.3)	(34,374.3)
Capital Contribution	-	-
Other Comprehensive Income, net of tax	-	-
Balance as at 31 March 2018	(4,85,222.3)	(4,85,222.3)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 6809421
Mumbai, May 21, 2018

Rajeev Kale
Director
DIN No :6775970

Borderless Travel Services Limited ★

Borderless Travel Services Limited
Statement of Cash Flow for the year ended 31 March 2018

(Amount in Rupees)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
A) Cash flow from operating activities			
Profit before income tax		-34,374.3	-89,866.0
Operating Profit before Working Capital changes		-34,374.3	-89,866.0
Change in operating assets and liabilities			
Increase/ (Decrease) in Financial liabilities		38,463.3	40,840.0
Increase/(Decrease) in Other current liabilities		-4,586.0	380.0
Cash generated from operations		-497.0	-48,646.0
Net cash inflow from operating activities		-497.0	-48,646.0
B) Cash flow from investing activities:			
Net cash outflow from investing activities		-	-
C) Cash flow from financing activities		-	-
Net cash inflow (outflow) from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		-497.0	-48,646.0
Add: Cash and cash equivalents at the beginning of the financial year		497.0	49,143.0
Cash and cash equivalents at the end of the year		-0.0	497.0
Reconciliation of Cash Flow statements as per the cash flow statement		31 March 2018	31 March 2017
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		-0.0	497.0
Bank Overdrafts			
Balances as per statement of cash flows		-0.0	497.0

Notes:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 6809421
Mumbai, May 21, 2018

Rajeev Kale
Director
DIN No :6775970

Borderless Travel Services Limited

Note 1:- Significant Accounting Policies

1) Background:

Borderless Travel Services Limited was incorporated on August 25th, 2015 The Company is a 100% subsidiary of Thomas Cook (India) Limited.

Basis of Preparation:

i) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 that are notified and effective as at 31st March, 2018.

These financial statements for the year ended 31st March, 2018 has prepared under Ind AS.

ii) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also need to exercise judgment in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Standalone Financial Information.

Critical estimates and Judgements

The areas involving critical estimates and judgements are:

(1) Reorganization of deferred tax

In view of the consistent losses and no commercial operations by company, the company may not have future taxable profit. Accordingly, a deferred tax asset has not been reorganized on unabsorbed losses of INR 34,374, since criteria for probability has not met.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2) Cash and Cash Equivalents

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of

Borderless Travel Services Limited

three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents.

3) Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

4) Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, and excluding treasury shares other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

Borderless Travel Services

Note 2 Cash and cash equivalents (Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks :		
In current accounts	-	497.0
Total Cash and cash equivalents	**-**	**497.0**

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 3 Share Capital and Other Equity

Particulars	Equity Share capital	
	No of Shares	Amount
AUTHORISED		
As at 31 March 2016	10,00,000	1,00,00,000.0
Increase/(Decrease) during the year	-	-
As at 31 March 2017	10,00,000	1,00,00,000.0
Increase/(Decrease) during the year	-	-
As at 31 March 2018	10,00,000	1,00,00,000.0

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	Equity share capital	
	No of Shares	Amount
As at March 31, 2016	5,000	50,000.0
Add: Addition on account of stock options allotment	-	-
As at March 31, 2017	5,000	50,000.0
Add: Addition on account of stock options allotment	-	-
As at March 31, 2018	5,000	50,000.0

(ii) Terms and rights attached to shares
The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

(iii) Shares of the company held by the holding company

Particulars	As at 31 March 2018		As at 31 March 2017	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
Thomas Cook India Limited (holding company) & its nominees	5,000	50,000.0	5,000	50,000.0

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares				
Thomas Cook India Limited (holding company) & its nominees	5,000	100.0%	5,000	100.0%

Borderless Travel Services Limited *

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 4 Reserves and surplus

(Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Retained Earnings	(4,85,222.3)	(4,50,848.0)
Total reserves and surplus	**(4,85,222.3)**	**(4,50,848.0)**

Retained Earnings

Particulars	As at 31 March 2018	As at 31 March 2017
Opening Balance	(4,50,848.0)	(3,60,982.0)
Profit for the year	(34,374.3)	(89,866.0)
Closing Balance	**(4,85,222.3)**	**(4,50,848.0)**

Borderless Travel Services Limited *

Note 5 Other Financial Liaibilities

(Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
	-	-
Current		
Payable to Holding Company (Refer Note 12)	4,12,985.0	3,45,225.0
Liabilities against expense	21,681.0	51,240.0
Book Overdraft	262.3	-
	4,34,928.3	**3,96,465.0**

Borderless Travel

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 6 Other Current Liabilities

(Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Statutory Dues	294.0	4,880.0
Total	**294.0**	**4,879.9**

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 7: Finance Costs

(Amount in Rupees)

Particulars	For year ended 31 March 2018	For year ended 31 March 2017
Other Finance Charges	345.0	1,863.0
Total	**345.0**	**1,863.0**

Note 8 Other Expenses

Particulars	For year ended 31 March 2018	For year ended 31 March 2017
Legal and Professional Charges (refer note 8 (a))	34,029.3	88,003.0
Total	**34,029.3**	**88,003.0**

Note 8(a) Details of payments to auditors

Particulars	For year ended 31 March 2018	For year ended 31 March 2017
Payment to auditors		
As auditor:		
-Statutory Audit	12,000.0	15,000.0
Total payments to auditors	**12,000.0**	**15,000.0**

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 9: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables, and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 10: Financial risk management
Being a non - operating company, the company is not exposed to any kind of risk.

Note 11: Capital management

The Company's objectives when managing capital (consisting of equity capital and unremitted profit in the financial statements) are to safeguard its ability to continue as a going concern, so it can continue to provide services for the holding company and related entities and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or change the capital structure, the Company may adjust the amount of profits for remittance to holding company, return equity capital, or require holding company to infuse additional capital to support its operations.

There are no externally imposed capital requirements on the Company.

The Company has not proposed any Dividend for the year ended March 31, 2018 and March 31, 2017.

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 12: Related Party Transactions
(a) Parent Entities
The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at 31 March 2018	As at 31 March 2017
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 67.82% of Equity Shares of TCIL. FCML is wholly owned and controlled by Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Parent entity	India	100	100

(b) Key Managerial Personnel

Amit Madhan
Rajeev Kale
Abraham Alapatt

(c) Transactions with related parties
The following transactions occurred with related parties:

(Amount in Rupees)

Nature of transaction	For year ended 31 March 2018	For year ended 31 March 2017
Holding Company		
Reimbursement of Expenses (Net)		
Thomas Cook (India) Limited	67,760.0	36,625.0
Balances as at the year end	**As at 31 March 2018**	**As at 31 March 2017**
Outstanding payables		
Thomas Cook (India) Limited	4,12,985.0	3,45,225.0

Borderless Travel Services Limited

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 13 Earnings/(Loss) Per Share

Earnings/(Loss) Per Share has been computed as under:	For the year ended 31 March 2018	For the year ended 31 March 2017
Loss for the year(In Rupees) - Basic and Diluted	(34,374)	(89,866)
Weighted average number of Equity shares outstanding - Basic and Diluted	5,000	5,000
Basic and Diluted Earnings/(Loss) per Share (Rs. per Equity Share of Rs. 10 each)	(6.87)	(17.97)

Note 14: Segmental Reporting
Since the Company has no operations, there are no reportable segments.

Note 15:
As at March 31, 2018, company has not started its commercial operations. The Company is a 100% subsidiary of Thomas Cook (India) Limited, which has undertook to provide sufficient financial support to the company to carry on business without curtailment of operations for the period of at least 12 months from the date of signing of the audit report i.e. May 21, 2018 by written support letter.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 6809421
Mumbai, May 21, 2018

Rajeev Kale
Director
DIN No :6775970

Borderless Travel Services Limited

G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIAN HORIZON MARKETING SERVICES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Indian Horizon Marketing Services Limited** (the Company), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (the standalone financial statements).

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in section 133 of the Act read with rules made thereunder and the relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards, of the state of affairs of the Company as at March 31, 2018, its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (c) The Balance Sheet, the Statement of Profit & Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

(e) On the basis of the written representations received from the Directors as on March 31, 2018 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2018 from being appointed as a Director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company did not have any pending litigations which would impact its financial position in its financial statements;

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Annexure A- referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date, to the members of the Company on the standalone financial statements for the year ended March 31, 2018

i. The Company does not have any property, plant and equipment and hence provisions of paragraph 3(vi) of the Order is not applicable.

ii. The Company's nature of operations does not require it to hold inventories. Consequently, paragraph 3(ii) of the Order regarding physical verification of inventories and maintenance of records is not applicable.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the paragraphs 3(iii)(a) to (c) of the Order regarding terms and conditions of such loans and repayment of such loans etc. are not applicable to the Company.

iv. The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable to the Company.

We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

vi. The provisions of section 148(1) of the Act, relating to maintenance of cost records are not applicable.

vii. (a) Based on the records produced before us, the Company is generally regular in depositing with appropriate authorities applicable undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Goods & Services Tax, cess and other applicable statutory dues with the appropriate authorities. There are no arrears as at March 31, 2018 which were due for more than six months from the date they became payable; and

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income-Tax, Service Tax, Goods & Services Tax and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has neither raised loans from banks and financial institutions nor issued any debentures, therefore the provisions of paragraph 3(viii) of the Order regarding default in

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repayment of dues to banks and financial institutions and debenture holders is not applicable to the Company.

ix. The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans. Hence, the provisions of paragraph 3(ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company by its officers and employees have been noticed or reported during the year.

xi. The Company has not paid or provided for any managerial remuneration. Hence, reporting requirements under this paragraph 3(xi) of the Order is not applicable.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In respect of transactions with related parties, the Company has complied with provisions of sections 177 and 188 of the Act where applicable. Necessary disclosures relating to related party transactions have been made in the standalone financial statements as required by the applicable accounting standard.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order is not applicable.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Annexure B referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's report of even date, to the members of Indian Horizon Marketing Services Limited (the Company) on the Standalone Financial Statements for the year ended March 31, 2018

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Mumbai
Dated: May 21, 2018

Indian Horizon Marketing Services Limited
Balance Sheet as at 31 March 2018

(Amount in Rupees)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Current assets			
Financial assets			
- Cash and cash equivalents	2a	22,21,289.7	17,36,512.0
- Bank Balances other than above	2b	5,48,958.4	5,16,366.0
- Other Financial Assets	3	16,366.0	-
Current Tax Assets	4	8,262.9	7,522.0
Other current assets	5	-	5,030.0
Total current assets		**27,94,877.0**	**22,65,430.0**
TOTAL ASSETS		**27,94,877.0**	**22,65,430.0**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	6	5,00,000.0	5,00,000.0
Reserve and surplus	7	(3,61,304.6)	(3,69,634.0)
Total Equity		**1,38,695.4**	**1,30,366.0**
LIABILITIES			
Current liabilities			
Other financial liabilities	8	26,55,886.6	21,33,564.0
Other current liabilities	9	295.0	1,500.0
Total current liabilities		**26,56,181.6**	**21,35,064.0**
TOTAL LIABILITIES		**26,56,181.6**	**21,35,064.0**
TOTAL EQUITY AND LIABILITIES		**27,94,877.0**	**22,65,430.0**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 06809421
Mumbai, May 21, 2018

Rambhau Kenkare
Director
DIN No :01272743

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited

Statement of Profit And Loss for the year ended 31 March 2018

(Amount in Rupees)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Other Income	10	52,625.4	35,243.0
Total income		**52,625.4**	**35,243.0**
Expenses			
Finance Cost	11	608.2	465.0
Other expenses	12	40,761.3	91,129.0
Total expenses		**41,369.4**	**91,594.0**
Profit before exceptional item		**11,256.0**	**(56,351.0)**
Add Exceptional items:		-	-
Less Exceptional items:		-	-
Profit/ (Loss) before tax		**11,256.0**	**(56,351.0)**
Less : Tax expense			
Current tax	17	2,926.5	-
Deferred tax		-	-
Total tax expenses		**2,926.5**	**-**
Profit /(Loss) for the year (A)		**8,329.4**	**(56,351.0)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		**-**	**-**
Total comprehensive income for the year (A+B)		**8,329.4**	**(56,351.0)**
Earnings/(Loss) per equity share (Face value of INR 1 each)			
- Basic earnings/(loss) per share	18	0.17	(1.13)
- Diluted earnings/(loss) per share	18	0.17	(1.13)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Registration Number: 104767W

Atul Shah

Partner

Membership No. 039569

Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt

Director

DIN No. 06809421

Mumbai, May 21, 2018

Rambhau Kenkare

Director

DIN No :01272743

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

INDIAN HORIZON MARKETING SERVICES LIMITED ★

STATEMENT OF CHANGES IN EQUITY

(Amount in Rupees)

(A) Share capital	Equity share
Particulars	**Amount**
Balance as at 31 March 2016	**5,00,000.0**
changes in share capital during the year	-
Balance as at 31 March 2017	**5,00,000.0**
changes in share capital during the year	-
Balance as at 31 March 2018	**5,00,000.0**

(B) Other Equity	Reserves and Surplus	
Particulars	**Retained Earnings**	**Total Reserves and Surplus**
Balance as at 31 March 2016	**(3,13,283.0)**	**(3,13,283.0)**
Loss for the year	(56,351.0)	**(56,351.0)**
Other Comprehensive Income, net of tax	-	-
Total Comprehensive Income for the year ending March 31, 2016		
Transaction with owners in their capacity as owners		-
Capital Contribution	-	-
Reclassification to Profit & loss account		-
		-
Balance as at 31 March 2017	**(3,69,634.0)**	**(3,69,634.0)**
Profit for the year	8,329.4	**8,329.4**
Capital Contribution	-	-
Other Comprehensive Income, net of tax	-	-
Balance as at 31 March 2018	**(3,61,304.6)**	**(3,61,304.6)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 06809421
Mumbai, May 21, 2018

Rambhau Kenkare
Director
DIN No :01272743

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Statement of Cash flow for the year ended 31 March 2018

(Amount in Rupees)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
A) Cash flow from operating activities			
Profit before income tax		11,256.0	(56,351.0)
Adjustments for			
Interest income on bank deposit		(52,625.4)	(35,243.0)
Operating Profit before Working Capital changes		(41,369.4)	(91,594.0)
Change in operating assets and liabilities			
Increase/(Decrease) in Other financial Liabilities		5,22,322.6	17,16,785.0
Increase/(Decrease) in Other Liabilities		(1,205.0)	1,000.0
Increase/ (Decrease) in Other Assets		5,030.0	(5,030.0)
Increase/ (Decrease) in Other Financial Assets		(10,65,324.4)	-
Cash generated from operations		(5,80,546.2)	16,21,161.0
Interest on Income tax refund		-	1,342.0
Income Tax Paid		(3,667.4)	-
Net cash inflow from operating activities		(5,84,213.6)	16,22,503.0
B) Cash flow from investing activities:			
Investment in Fixed Deposit having maturity over three months		-	-
Interest on bank deposits		20,033.0	46,693.0
Net cash outflow from investing activities		20,033.0	46,693.0
C) Cash flow from financing activities		-	-
Net cash inflow (outflow) from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(5,64,180.6)	16,69,196.0
Add: Cash and cash equivalents at the beginning of the financial year		17,36,512.0	67,316.0
Cash and cash equivalents at the end of the year		11,72,331.4	17,36,512.0
Reconciliation of Cash Flow statements as per the cash flow statement **Cash Flow statement as per above comprises of the following**		**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Cash and cash equivalents		11,72,331.4	17,36,512.0
Bank Overdrafts			
Balances as per statement of cash flows		11,72,331.4	17,36,512.0

Notes:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 06809421
Mumbai, May 21, 2018

Rambhau Kenkare
Director
DIN No :01272743

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes to financial statements for the year ended March 31, 2018

Note 1:- Significant Accounting Policies

i. Background:

Indian Horizon Marketing Services Limited was incorporated on December 26th, 1989 The Company is a 100% subsidiary of Thomas Cook (India) Limited.

Basis of Preparation:

a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 that are notified and effective as at 31st March, 2018.

These financial statements for the year ended 31st March, 2018 has prepared under Ind AS.

ii. Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.

iii. Taxes on Income

Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate 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 tax

Deferred tax is recognised using the liability method on taxable temporary differences between the tax base and the accounting base of items included in the Balance Sheet of the Company.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

INDIAN HORIZON MARKETING SERVICES LIMITED

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Certain temporary differences arising on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not recognised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

iv. Cash and Cash Equivalents

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents.

v. Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

vi. Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, and excluding treasury shares other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity

INDIAN HORIZON MARKETING SERVICES LIMITED

shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

vii. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of Standalone Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Standalone Financial Information. Actual results could differ from those estimates.

INDIAN HORIZON MARKETING SERVICES LIMITED

Note 2(a) Cash and cash equivalents (Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks :		
In current accounts	22,21,289.7	17,23,596.0
Cheques on hand	-	12,916.0
Total Cash and cash equivalents	**22,21,289.7**	**17,36,512.0**

Note 2(b) Bank balances other than above

Particulars	As at 31 March 2018	As at 31 March 2017
Fixed Deposits with maturity of more than 3 months but less than 12 months	5,00,000.0	5,00,000.0
Interest Accrued on fixed deposits	48,958.4	16,366.0
Total Bank Balances	**5,48,958.4**	**5,16,366.0**

Note 3 Other Financial Assets

Particulars	As at 31 March 2018	As at 31 March 2017
Accrued Income	16,366.0	-
		-
Total Other Financial Assets	**16,366.0**	**-**

INDIAN HORIZON MARKETING SERVICES LIMITED

Note 4: Current Tax Assets (Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Advance Tax	8,262.9	7,522.0
Total Current Tax Assets	**8,262.9**	**7,522.0**

Note 5: Other Current Assets

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with service tax authorities	-	5,030.0
Total Other Current Assets	**-**	**5,030.0**

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 6 Share Capital and Other Equity

(Amount in Rupees)

	Equity Share capital	
Particulars	No of Shares	Amount
AUTHORISED SHARE CAPITAL		
As at 31 March 2016	30,00,000	3,00,00,000.0
Increase/(Decrease) during the year	-	-
As at 31 March 2017	30,00,000	3,00,00,000.0
Increase/(Decrease) during the year	-	-
As at 31 March 2018	30,00,000	3,00,00,000.0

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	Equity share capital	
	No of Shares	Amount
As at March 31, 2016	50,000	5,00,000.0
Add: Addition on account of stock options allotment	-	-
As at March 31, 2017	50,000	5,00,000.0
Add: Addition on account of stock options allotment	-	-
As at March 31, 2018	50,000	5,00,000.0

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

(iii) Shares of the company held by the holding company

Particulars	As at 31 March 2018		As at 31 March 2017	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
Thomas Cook India Limited (holding company) & its nominees	50,000	5,00,000.0	50,000.0	5,00,000.0

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares				
Thomas Cook India Limited (holding company) & its nominees	50,000	100.0%	50,000.0	100.0%

INDIAN HORIZON MARKETING SERVICES LIMITED

Note 7 Reserves and surplus (Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Retained Earnings	(3,61,304.6)	(3,69,634.0)
Total reserves and surplus	**(3,61,304.6)**	**(3,69,634.0)**

Retained Earnings

Particulars	As at 31 March 2018	As at 31 March 2017
Opening Balance	(3,69,634.0)	(3,13,283.0)
Profit/(Loss) for the year	8,329.4	(56,351.0)
Closing Balance	**(3,61,304.6)**	**(3,69,634.0)**

INDIAN HORIZON MARKETING SERVICES LIMITED

Note 8 Other Financial Liaibilities (Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Payable to Holding Company (Refer Note 16)	25,48,454.4	20,94,595.0
Liabilities against expense	1,07,432.2	38,969.0
Total Other Financial Liabilities	**26,55,886.6**	**21,33,564.0**

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 9 Other Current Liabilities

(Amount in Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
Statutory Dues	295.0	1,500.0
Total Other Currents Libilities	**295.0**	**1,500.0**

INDIAN HORIZON MARKETING SERVICES LIMITED

Note 10: Other Income (Amount in Rupees)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Income from Interest on Fixed Deposits	52,625.4	35,243.0
Total Other Income	**52,625.4**	**35,243.0**

Note 11 : Finance Costs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Other Finance Charges	608.2	465.0
Total Finance Cost	**608.2**	**465.0**

Note 12 Other Expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Other Expenses	7,241.3	55,602.0
Legal and Professional Charges (refer note 12 (a))	33,520.0	35,527.0
Total Other Expenses	**40,761.3**	**91,129.0**

Note 12(a): Details of payments to auditors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Payment to auditors		
As auditor:		
-Statutory Audit	12,000.0	15,000.0
Total payments to auditors	**12,000.0**	**15,000.0**

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 13: Fair value measurements

Trade receivables, cash and cash equivalents, other financial assets, trade payables, and other financial liabilities have been carried at amortised cost. The carrying amounts of these financial assets and financial liabilities are considered to be the same as their fair values due to their short-term nature. Hence, no fair value disclosures / information for these financial assets and financial liabilities has been disclosed since the carrying amount is a reasonable approximation of fair value.

Note 14: Financial risk management

Being a non - operating company, the company is not exposed to any kind of risk.

Note 15: Capital management

The Company's objectives when managing capital (consisting of equity capital and unremitted profit in the financial statements) are to safeguard its ability to continue as a going concern, so it can continue to provide services for the holding company and related entities and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or change the capital structure, the Company may adjust the amount of profits for remittance to holding company, return equity capital, or require holding company to infuse additional capital to support its operations.

There are no externally imposed capital requirements on the Company.

The Company has not proposed any Dividend for the year ended March 31, 2018 and March 31, 2017.

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 16 Related Party Transactions
(a) Parent Entities
The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest (%)	
			As at 31 March 2018	As at 31 March 2017
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 67.82% of Equity Shares of TCIL. FCML is wholly owned and controlled by Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Parent entity	India	100	100

(b) Key Managerial Personnel

Amit Madhan
Rambhau Kenkare
Abraham Alapatt

(c) Transactions with related parties
The following transactions occurred with related parties:

Nature of transaction	As at 31 March 2018	As at 31 March 2017
Holding Company		
Reimbursement of Expenses (Net)		
Thomas Cook (India) Limited	4,53,859.4	2,50,500.0
Balances as at the year end		
Outstanding payables		
Thomas Cook (India) Limited	25,48,454.4	20,94,595.0

INDIAN HORIZON MARKETING SERVICES LIMITED

Note: 17 Income tax expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	2,927	-
Adjustment for current tax of prior periods	-	-
Total current tax expense	**2,927**	-
Deferred tax		
Decrease (Increase) in deferred tax assets	-	-
(Decrease) Increase in deferred tax liabilities	-	-
Total deferred tax expense (benefit)	-	-
Income tax expense	***2,927***	-
Income tax expense attributable to:		
Profit from countining operations	2,927	-
Profit from discountining operations	-	-
(b) Reconciliation of tax expense and the accounting profitmultiplied by India's tax rate:		
	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit from countining operations before income tax expense	11,256	-
Profit from discountining operations before income tax expense		
Tax at the Indian tax rate of 26.00%	**2,927**	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Donation	-	-
CSR EXP	-	-
Savings in HP	-	-
Dividend	-	-
Vacating premises	-	-
Website	-	-
Profit/loss on sale of leased assets	-	-
Additional tax provision	-	-
Other item	-	-
Income tax expense	**2,927**	-

INDIAN HORIZON MARKETING SERVICES LIMITED

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended 31 March 2018

Note 18 Earnings/(Loss) Per Share

Earnings/(Loss) Per Share has been computed as under:	For the year ended 31 March 2018	For the year ended 31 March 2017
Earnings /(Loss) for the year(In Rupees) - Basic and Diluted	8,329	(56,351)
Weighted average number of Equity shares outstanding - Basic and Diluted	50,000	50,000
Basic and Diluted Earnings/(Loss) per Share (Rs. per Equity Share of Rs. 10 each)	0.17	(1.13)

Note 19: Segmental Reporting
Since the Company has no operations, there are no reportable segments.

Note 20: Micro, Small and Medium Enterprises
There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

As per our report of even date
For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
Mumbai, May 21, 2018

For and on behalf of the Board of Directors

Abraham Alapatt
Director
DIN No. 06809421
Mumbai, May 21, 2018

INDIAN HORIZON MARKETING SERVICES LIMITED

Rambhau Kenkare
Director
DIN No :01272743

THOMAS COOK LANKA (PVT) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2018

KPMG

KPMG
(Chartered Accountants)
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Thomas Cook Lanka (Pvt) Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Thomas Cook Lanka (Pvt) Limited ("the Company") and the consolidated financial statements of the Company and its subsidiary ("the Group"), which comprise the statement of financial position as at 31st March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of matter described in the Basis for Qualified section of our report, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31st March 2018, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Qualified Opinion

As disclosed in the Note 33 to the financial statements, during the year, the Company had discovered that cash had been misappropriated in the prior years and related financial statements had been adjusted with fraudulent/erroneous entries. Property, Plant and Equipment, Intangible Assets and Other Assets had been overstated while Cash and Cash Equivalents, Other Liabilities and Profit for the respective periods had been understated. Based on the quantification carried out by the management, the impact on the retained earnings was not material. Accordingly, the misstatements have been corrected in the financial statements for the current year without retrospective application with restatement of prior year financial statements as required by LKAS 8, Accounting Policies, Errors and Estimates. The impact on the current year financial statements has been disclosed in Note 33.1.

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Code of Ethics issued by CA Sri Lanka (Code of Ethics) that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter-Carrying value of investment in subsidiary

We draw attention to Note 14 to the separate financial statements on the operating results of the subsidiary company for the year ended 31 March 2018, which describes that, subsidiary has incurred a net loss of Rs. 15,135,530/-, and as of that date the Company's accumulated loss is amounting to Rs. 102,161,362/-. Further as at the reporting date, the current liabilities exceeded the current assets by Rs.96,162,274/- and its total liabilities exceeded its total assets by 97,161,362/-.

KPMG

Although these conditions indicate potential impairment of the investment in subsidiary, as explained in Note 14 to these financial statements, the Board of Directors of Thomas Cook Lanka (Pvt) Limited and Luxe Asia (Pvt) Limited are of the view that, based on the five year cash flow projections, no provision for impairment was required as at 31 March 2018 against the investment in subsidiary.

The potential impairment, if any, cannot be currently determined and hence, the effect on the financial statements is uncertain. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. These Financial statements do not comprise other information.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines 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, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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 SLAuSs 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing Standards website at: http://slaasc.com/auditing/auditorsresponsibility.php. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

KPMG

Colombo, Sri Lanka
18 May 2018

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March,	Notes	Company 2018 Rs.	Company 2017 Rs.	Group 2018 Rs.	Group 2017 Rs.
Revenue	5	211,574,786	218,163,923	811,492,867	880,910,596
Administrative and other operating expenses	6	(211,089,308)	(200,278,167)	(841,376,592)	(890,348,393)
Profit / (loss) from operations		**485,479**	**17,885,756**	**(29,883,724)**	**(9,437,797)**
Other income	7	817,259	-	6,834,902	4,376,143
Net finance income	8	7,948,414	3,526,883	16,532,271	11,703,186
Operating profit before value added tax and nation building tax on financial services		**9,251,151**	**21,412,639**	**(6,516,552)**	**6,641,532**
Value added tax and national building tax on financial services	9	(4,722,329)	(7,632,257)	(4,722,329)	(7,632,257)
Operating profit after value added tax and national building tax on financial services		**4,528,822**	**13,780,382**	**(11,238,881)**	**(990,725)**
Share of loss of equity accounted investee, net of tax	15	-	-	(704,851)	(1,132,796)
Profit / (loss) before tax		**4,528,822**	**13,780,382**	**(11,943,732)**	**(2,123,521)**
Income taxes	10	(3,180,100)	(9,600,940)	(2,547,926)	(9,600,940)
Profit / (loss) for the year		**1,348,723**	**4,179,442**	**(14,491,658)**	**(11,724,461)**
Other comprehensive income, net of tax					
Items that will never be reclassified to profit or loss					
Remeasurement of defined benefit liability		(129,252)	719,313	(537,916)	1,353,704
Less: Deferred tax charge on actuarial gains / (losses)		36,191	(201,408)	93,404	(201,408)
Net actuarial gains / (losses) on defined benefit plans		**(93,061)**	**517,905**	**(444,512)**	**1,152,296**
Total other comprehensive income for the year		**(93,061)**	**517,905**	**(444,512)**	**1,152,296**
Total comprehensive income for the year		**1,255,662**	**4,697,347**	**(14,936,170)**	**(10,572,165)**
Basic earnings / (loss) per share	11	**0.13**	**0.39**	**(1.35)**	**(1.09)**

The annexed Notes to the Financial Statements form an integral part of these Financial Statements.
Figures in the brackets indicate deductions.

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THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March,	Notes	Company 2018 Rs.	Company 2017 Rs.	Group 2018 Rs.	Group 2017 Rs.
ASSETS					
Property, plant and equipment	12	18,073,484	26,231,897	23,354,628	33,133,809
Intangible assets and goodwill	13	4,838,417	7,383,455	82,612,076	85,524,328
Investment in subsidiary	14	48,975,000	48,975,000	-	-
Equity-accounted investee	15	10,313,800	10,313,800	8,476,153	9,181,004
Other investments - Non current assets	16	12,029,543	16,009,969	12,029,542	16,009,969
Non-current assets		**94,230,244**	**108,914,121**	**126,472,400**	**143,849,110**
Current taxation	17	-	5,177,604	-	5,177,604
Amount due from related companies	18	25,438,034	25,000,000	-	-
Trade and other receivables	19	8,438,419	5,738,154	49,799,300	61,313,065
Prepayments		4,312,551	11,924,918	22,825,338	13,270,493
Other investments - Current assets	16	117,009,101	102,780,934	117,531,555	103,280,934
Cash and cash equivalents	20	69,430,630	54,278,209	83,713,629	60,594,692
Current assets		**224,628,735**	**204,899,819**	**273,869,822**	**243,636,788**
Total assets		**318,858,979**	**313,813,940**	**400,342,222**	**387,485,898**
EQUITY AND LIABILITIES					
Equity					
Stated capital	21	107,679,780	107,679,780	107,679,780	107,679,780
Retained earnings		160,888,275	159,632,613	90,029,941	104,966,111
Total Equity		**268,568,055**	**267,312,393**	**197,709,721**	**212,645,891**
LIABILITIES					
Employee benefits	22	4,785,819	3,560,629	12,429,312	8,555,145
Deferred tax liabilities	23	2,050,992	2,889,219	1,346,598	2,889,219
Non-current liabilities		**6,836,811**	**6,449,848**	**13,775,910**	**11,444,364**
Amount due to related companies	24	24,304,665	23,452,120	24,304,665	23,452,120
Trade and other payables	25	7,936,721	9,264,871	120,665,037	114,283,706
Dividend payable		-	7,334,158	-	7,334,153
Current taxation	17	1,363,600	-	1,378,607	-
Bank overdraft	20	9,849,128	550	42,508,282	18,325,664
Current liabilities		**43,454,114**	**40,051,699**	**188,856,591**	**163,395,643**
Total liabilities		**50,290,925**	**46,501,547**	**202,632,501**	**174,840,007**
Total Equity and Liabilities		**318,858,979**	**313,813,940**	**400,342,222**	**387,485,898**

The Notes to the Financial Statements form an integral part of these Financial Statements.
These Financial Statements are in compliance with the requirements of the Company Act No 07 of 2007.

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Thajul Riyaz
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved ~~and~~ signed for and on behalf of the Board:

....
Balaraman Unnithan
Country Manager

P.D.J
....
Director

....
Director

18 May 2018
Colombo

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2018

	Company			Group		
	Stated Capital	Retained Earnings	Total	Stated Capital	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2016	107,679,780	158,059,850	265,739,630	107,679,780	118,662,860	226,342,640
Profit for the year	-	4,179,442	4,179,442	-	(11,724,461)	(11,724,461)
Other Comprehensive Income for the year	-	517,905	517,905	-	1,152,296	1,152,296
Total Comprehensive Income for the year	-	4,697,347	4,697,347	-	(10,572,165)	(10,572,165)
Dividend approved/Paid	-	(3,124,584)	(3,124,584)	-	(3,124,584)	(3,124,584)
Balance as at 31st March 2017	107,679,780	159,632,613	267,312,393	107,679,780	104,966,111	212,645,891
Balance as at 1st April 2017	107,679,780	159,632,613	267,312,393	107,679,780	104,966,111	212,645,891
Profit for the year	-	1,348,723	1,348,723	-	(14,491,658)	(14,491,658)
Other Comprehensive Income for the year	-	(93,061)	(93,061)	-	(444,512)	(444,512)
Total Comprehensive Income for the year	-	1,255,662	1,255,662	-	(14,936,170)	(14,936,170)
Balance as at 31st March 2018	107,679,780	160,888,275	268,568,055	107,679,780	90,029,941	197,709,721

The Notes to the financial statements form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

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THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF CASH FLOWS

For the year ended 31st March,	Notes	Company 2018 Rs.	Company 2017 Rs.	Group 2018 Rs.	Group 2017 Rs.
Cash flows from Operating Activities					
Profit / (loss) before taxation		4,528,822	13,780,382	(11,943,732)	(2,123,521)
Adjustment for :					
Depreciation	6.1	3,633,443	2,907,590	5,818,210	5,015,295
Amortization of intangible assets		2,794,117	2,713,648	3,311,332	3,246,818
Provision for impairment PPE and intangible assets	6.2	2,389,873	-	2,389,873	-
Provision for impairment of trade receivables		-	-	-	1,800,000
Write of due to missappropriation assets		3,948,444	-	3,948,444	-
Share of loss of equity accounted investee, net of tax	15.2	-	-	704,851	1,132,796
Provision for investments and debtors		-	-	-	1,733,527
Provision for employee benefits	6.3	1,095,938	918,515	3,336,251	2,680,538
Interest income		(13,901,032)	(5,722,326)	(13,983,486)	(5,722,326)
Interest expense	8	5,624,367	4,165,276	5,706,220	4,716,288
Foreign exchange gain		(331,719)	(2,782,585)	(11,250,062)	(14,591,272)
Operating profit/(loss) before working capital changes		**9,782,254**	**15,980,500**	**(11,962,098)**	**(2,111,857)**
Increase / (decrease) in trade and other receivable		6,427,355	(6,058,599)	20,618,938	(19,154,572)
Increase in amount due from related party		(438,034)	-	-	-
Increase / (decrease) in prepayments		7,612,368	-	(9,554,845)	-
Increase in amount due to related party		852,545	-	852,545	-
Increase / (decrease) in trade and other payable		(996,431)	9,276,607	17,631,393	43,111,798
Cash generated from operating activities		**23,240,056**	**19,198,508**	**17,585,933**	**21,845,369**
Taxes paid	17	2,559,068	(4,000,000)	2,559,068	(4,000,000)
Employee benefit paid	22	-	-	-	(123,375)
Net cash generated from operating activities		**25,799,124**	**15,198,508**	**20,145,001**	**17,721,994**
Cash flows from investing activities					
Purchase of property plant and equipment	12	(1,693,774)	(11,407,746)	(2,257,773)	(14,125,129)
Purchase of intangible assets	13.1	(368,653)	(4,990,747)	(518,653)	(5,232,485)
Net interest received	8	8,276,665	1,557,050	8,277,266	1,006,038
Investment in associates	15	-	(10,313,800)	-	(10,313,800)
(Invest) / Redemption of long term investment	16	(19,375,361)	20,733,513	(19,375,361)	20,733,513
Net cash used in investing activities		**(13,161,123)**	**(4,421,730)**	**(13,874,521)**	**(7,931,863)**
Cash flows from financing activities					
Dividend payment		(7,334,158)	(15,953,431)	(7,334,158)	(15,953,431)
Net cash used in financing activities		**(7,334,158)**	**(15,953,431)**	**(7,334,158)**	**(15,953,431)**
Net increase / (decrease) in cash and cash equivalents		5,303,843	(5,176,653)	(1,063,679)	(6,163,300)
Cash and cash equivalents at the beginning of the year		54,277,659	59,454,312	42,269,026	48,432,328
Cash and cash equivalents at the end of the year		**59,581,502**	**54,277,659**	**41,205,347**	**42,269,028**
Analysis of cash & cash equivalents (Note - 20)					
Cash in hand		68,216,226	26,242,753	69,216,226	27,242,753
Cash at bank		1,214,404	28,035,456	14,497,403	33,351,939
		69,430,630	54,278,209	83,713,629	60,594,692
Bank overdraft		(9,849,128)	(550)	(42,508,282)	(18,325,664)
		59,581,502	54,277,659	41,205,347	42,269,028

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The Notes to the Financial Statements form an integral part of these Financial Satements.

1. REPORTING ENTITY

1.1 Domicile and legal form

Thomas Cook Lanka (Private) Limited, ("the Company") is a private limited liability Company incorporated and domiciled in Sri Lanka on April 20, 2012, under the Companies Act no 07 of 2007.

The registered office of the Company situated at No.393, Union Place, Colombo 02.

The operations are conducted at Aviation branches, including arrival and departure, Kandy City Center Branch and Crescat Branch.

1.2 Consolidated financial statements

The Consolidated Financial Statements as at and for the year ended 31st March 2018, comprise the Company (Parent Company) and its Subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in its Associates.

The immediate parent of the group is Thomas Cook India (Private) Limited and the ultimate parent of the group is Fairfax Financial Holdings Limited, which is listed in Toronto Stock Exchange.

1.3 Principal activities and nature of operations of the Group

1.3.1.Thomas Cook Lanka (Private) Limited – Reporting Entity

The Principle activity of the company is dealing in foreign currencies.

1.3.2.Luxe Asia (Private) Limited - Subsidiary

The Principle activity of the company is to act as a travel agent and to provide travel related services.

1.3.3.Sita World Travel Lanka (Private) Limited - Associate

The Principle activity of the company is acting as a travel agent.

1.4 Number of employees

The Group and Company had 88 and 28 employees respectively at the end of the financial year. (2017 – 76 and 27)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flow Statement, together with the notes, (the "Financial Statements") of the Group and the Company as at 31st March 2018 and for the period then ended have been prepared in accordance with new Sri Lanka Accounting Standards, prefixed both SLFRS (corresponding to IFRS) and LKAS (corresponding to IAS), laid down by the Institute of Chartered Accountants of Sri Lanka ("ICASL") and complies with the requirements of the Companies Act No 07 of 2007.

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis and applied consistently which no adjustments being made for inflationary factors affecting the financial statements, except for the following material items in the statement of financial position:

- Net liability for defined benefit obligations are recognised as the present value of the defined benefit obligation, plus unrecognised actuarial gains, less unrecognised past service cost and unrecognised actuarial losses

2.3 Functional and presentation currency

The financial statements of the Company are presented in Sri Lankan Rupees, which is the company's functional currency. All financial information presented in Rupees has been rounded to the nearest Rupees.

2.4 Comparative figures

The previous year figures and phrases have been reclassified whenever necessary to conform to the current year presentation.

2.5 Use of estimates and judgments

The preparation of the Financial Statements in conformity with SLAS's requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the following notes:

- Impairment of assets (Note 3.8)
- Current taxation (Note 3.3a)
- Deferred taxation (Note 3.3b)
- Employee benefits (Note 3.9)
- Provisions and contingencies (Note 3.11)

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2.6 Materiality and Aggregation

Each material class of similar items is presented separately. Items of dissimilar nature or function are presented separately unless they are immaterial.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements unless otherwise indicated.

3.1. Business Combination

Business combinations are accounted for using the acquisition method when control is transferred to the Group (See Note 3.1.1 below). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities.

3.1.1 Subsidiaries

Subsidiaries are investees controlled by the Group. The Group 'controls' an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The cost of an acquisition is measured at fair value of the consideration, including contingent consideration. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. Subsequent to the initial measurement the Group continues to recognise the investments in Subsidiaries at cost.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

The Financial Statements of all subsidiaries in the Group have a common financial year which ends on March 31. The Financial Statements of the Company's Subsidiaries are prepared using consistent accounting policies.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions, income and expenses are eliminated in full.

There are no significant restrictions on the ability of Subsidiaries to transfer funds to the Parent (the Company) in the form of cash dividend or repayment of loans and advances.

All Subsidiaries of the Company have been incorporated in Sri Lanka.

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3.1.2 Interests in equity accounted investees

The group's interests in equity accounted investees comprise interest in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associate is accounted using the equity method. They are recognized initially at cost, which includes transaction cost. Subsequent to the initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees, until the date on which significant influence ceases.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized as profit or loss, except for differences arising on the retranslation of available for- sale equity instruments, which are recognized in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3.3 Income tax expense

Income tax expenses comprise current & deferred tax expenses recognized in the statement of profit or loss.

a) Current taxation

Provision for Current Tax is based on the profit for the year as adjusted for taxation purposes in accordance with the previous of the Inland Revenue Act No.10 0f 2006 and amendments thereto. The current tax liability consists of amounts expected to be paid to or recovered from the Commissioner General of Inland Revenue.

b) Deferred taxation

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the future asset can be utilized. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realized.

3.4 Events occurring after the reporting date

The materiality of events occurring after the reporting date have been considered and appropriate adjustments to or disclosure have been made in the financial statements where necessary.

ASSETS AND BASIS OF THEIR VALUATION

Assets classified as current assets on the reporting are cash and bank balances and those which are expected to be realized in cash during the normal operating cycle or within one year from the reporting date whichever is shorter. Assets other than the current assets are those, which the Group intends to hold beyond a period of one year from the reporting date.

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3.5 Property, plant and equipment

a) Recognition and Measurement

Property, Plant & Equipment is recorded at cost less accumulated depreciation less accumulated impairment losses if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

b) Derecognition

Items of property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or losses rising on de-recognition of the asset is included in the statement of profit or loss the year the asset is derecognized.

c) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset have been capitalised as part of the cost of the asset in accordance with New Sri Lanka Accounting Standard – LKAS 23 "Borrowing Costs".

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete.

d) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

e) Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

• Office Equipment	21	years
• Motor Vehicle	6 2/3	year
• Furniture and Fittings	15 ¾	year
• Computer Hardware	4	yeas

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Depreciation is provided on a pro-rata basis on the assets purchased/constructed/disposed of during the year.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

f) Impairment of Property, Plant and Equipment

The carrying value of property plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indications exist and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognized in the statement of comprehensive income unless it reverses a previous revaluation surplus for the same asset.

3.6 Intangible Assets

a. Recognition and measurement

All computer software costs incurred, licensed for use by the Company, which are not integrally related to associate hardware, and can be clearly identified, reliably measured and it is probable that they will lead to future economic benefits are included in the statement of financial position under the category intangible assets and carried at cost less accumulated amortization and accumulated impairment losses if any.

b. Subsequent expenditure

Expenditure incurred on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

c. Amortization and impairment

Intangible assets with finite lives and amortisation

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of intangible assets, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

- Computer software – 3.5 – 4 years

Goodwill

Goodwill that arises on the acquisition of subsidiary is presented with intangible assets. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

Subsequent to initial recognition, goodwill is measured at cost accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

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3.7 Financial instruments

3.7.1 Non-derivative financial assets

The Group initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.
The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

a) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Sub sequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

3.8 Impairment of Assets

3.8.1 Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group considers evidence of impairment for receivables at specific asset level. All receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.8.2 Non-financial assets

The carrying amounts of the Group's non-financial assets inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

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LIABILITIES AND OTHER PAYABLES

Liabilities classified as Current Liabilities in the Statement of financial position are those obligations payable on demand or within one year from the reporting date. Items classified as noncurrent liabilities are those obligations, which expire beyond a period of one year from the reporting date.

All known liabilities have been accounted for in preparing the Financial Statements. Provision and liabilities are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.9 Employee benefits

a) Defined Contribution Plans – Employees' Provident Fund & Employees' Trust Fund

A defined contribution plan is a post- employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

b) Defined Benefit Plan – Retiring Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

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As required by LKAS 19 - Employee Benefits, which became effective from 1 January 2012 the Company has provided for gratuity liability based on an internally generated model using a formula based on projected unit credit method as recommended by LKAS 19.

However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service. The liability is not externally funded.

Actuarial gains and loses
The re - measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in Other Comprehensive Income.

c) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided.

3.10 Non-derivative financial liabilities

The Group initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

3.11 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Trade and other payables are stated at their cost.

3.11.1 Contingencies and capital commitments

All material capital commitments and contingencies, which exist as at the reporting date, are disclosed in the respective notes to the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

3.12 Revenue recognition

Foreign currency transactions
Revenue on commission and exchange gain on encashment of foreign currencies are recognized on cash basis. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangements.

Rendering of Service
Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

The Company renders a wide range of travel services. The revenue from rendering these services is recognized in the profit or loss at the time when the significant risks and rewards are transferred to the customer. This is generally the case on the date of arrival of tour.

3.13 Other income

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Other income is recognized on an accrual basis.

Net gains and losses of a revenue nature on the disposal of property, plant and equipment and other non-current assets including investments have been accounted for in the assets.

3.14 Expenditure recognition

a) Operating expenses

All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to the statement of comprehensive income.

b) Borrowing cost

All borrowing costs are recognized as an expense in the period in which they are incurred except those that are directly attributable to the construction or development of property, plant and equipment which are capitalized as a part of the cost of that asset during the period of construction or development.

3.15 Finance income and expenses

Interest income and expenses are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

3.16 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.17 Statement of cash flows

The Cash Flow Statement has been prepared using the Indirect Method of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard (LKAS) 7, Statement of Cash Flows.

Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents include cash in-hand, balances with banks and short term deposits with banks.

For cash flow purposes, cash and cash equivalents are presented net of bank overdrafts.

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4. NEW ACCOUNTING STANDARDS ISSUED, BUT NOT YET EFFECTIVE AS AT THE REPORTING DATE.

A number of new standards and amendments to standards which have been issued but not yet effective as at the reporting date have not been applied in preparing these Financial Statements. Accordingly, these Accounting Standards have not been applied in preparing these financial statements.

The following new standards are not expected to have a significant impact of the Group / Company's financial statements.

New or amended standard	Summary of the Requirement	Possible impact on consolidated financial statements
SLFRS 9 Financial Instruments	SLFRS 9, issued in 2014, replaces the existing guidance in LKAS 39 Financial Instruments: Recognition and Measurement. SLFRS 9 includes revised guidance on the classification and measurement of financial instruments. It also carries forward the guidance on recognition and derecognition of financial instruments from LKAS 39. SLFRS 9 is effective from 01st January 2018.	The Company / Group is assessing the potential impact on its financial statements resulting from the application of SLFRS 9. This standard is not expected to have significant impact on the financial statements of the Company / Group.
SLFRS 15 Revenue from Contracts with Customers	SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including LKAS 18 Revenue, and LKAS 11 Construction Contacts. SLFRS 15 is effective for annual reporting periods beginning on or after 01st January 2018	The Company / Group is assessing the potential impact on its financial statements resulting from the application of SLFRS 15.
SLFRS 16 Leases	SLFRS 16 eliminates the current dual accounting model for lessees which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead there will be a single on balance sheet accounting model that is similar to current finance lease accounting. SLFRS 16 is effective for annual reporting periods beginning on or after 1st January 2019.	The Company / Group is assessing the potential impact on its financial statements resulting from the application of SLFRS 16.

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For the year ended 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
5. Revenue				
Foreign currency trading	190,759,801	193,995,097	190,759,801	193,995,097
Commission on encashment trading	20,814,985	24,168,826	20,814,985	24,168,826
Travel related services	-	-	599,918,081	662,746,673
	211,574,786	218,163,923	811,492,867	880,910,596
6. Administrative and other operating expenses				
Auditor's remuneration				
- Audit fee	590,000	550,000	890,000	825,000
- Audit related fee	-	-	-	-
Director's fees and emoluments	921,563	829,539	10,836,483	9,519,459
Depreciation and amortization (Note 6.1)	6,427,560	5,621,238	9,129,543	8,262,113
Professional service cost	2,888,156	1,880,529	6,611,768	5,335,273
Impairment charge (Note 6.2)	2,389,873	-	2,389,873	1,800,000
Staff expense (Note 6.3)	32,125,413	33,621,078	83,174,100	77,081,350
Other expenses (Note 6.4)	165,746,743	157,775,783	728,344,825	787,525,198
	211,089,308	200,278,167	841,376,592	890,348,393
6.1 Depreciation and amortization				
Depreciation of property, plant and equipment	3,633,443	2,907,590	5,818,211	5,015,295
Amortization of intangible assets	2,794,117	2,713,648	3,311,332	3,246,818
	6,427,560	5,621,238	9,129,543	8,262,113
6.2 Impairment charge / Write off				
Provision for impairment of trade receivables	-	-	-	1,800,000
Provision for impairment of property, plant and equipments (Note 12.1.1)	2,315,794	-	2,315,794	-
Provision for impairment of intangible assets (Note 13.1.1)	74,079	-	74,079	-
	2,389,873	-	2,389,873	1,800,000
6.3 Staff expense				
Salaries, wages and bonus	16,227,217	17,735,649	58,108,865	48,926,895
Define benefit plan cost (Note 22)	1,095,938	918,515	3,336,250	2,680,538
Define contribution plan cost	3,694,610	2,993,944	3,694,610	8,226,290
Others (Note 6.3.1)	11,107,648	11,972,970	18,034,375	17,247,627
	32,125,413	33,621,078	83,174,100	77,081,350

Note : Defined benefit plan cost includes post employment benefit contribution relating to executive directors.

Note 6.3.1 This includes mainly staff welfare expenses, staff traveling and rent expenses.

	Company 2018 Rs.	Company 2017 Rs.	Group 2018 Rs.	Group 2017 Rs.
6.4 Other expenses				
Travel related services	-	-	529,150,477	596,279,260
Office rent expenses	155,790,507	141,306,943	162,555,201	147,311,229
Other expenses	9,956,236	16,468,840	36,639,147	44,001,182
	165,746,743	157,775,783	728,344,825	787,591,671

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For the year ended 31st March,	Company 2018 Rs.	Company 2017 Rs.	Group 2018 Rs.	Group 2017 Rs.
7. Other income				
Commission income	-	-	5,863,304	3,943,009
Other income	817,259	-	971,598	433,134
	817,259	-	6,834,902	4,376,143
8. Net finance income				
Finance income				
Interest income	13,901,032	5,722,326	13,983,486	5,722,326
Foreign exchange gain	331,719	2,782,585	11,250,062	14,591,272
	14,232,751	8,504,911	25,233,548	20,313,598
Finance expenses				
Bank charges	659,969	812,752	2,995,056	3,894,124
Interest expense	5,624,367	4,165,276	5,706,220	4,716,288
	6,284,336	4,978,028	8,701,276	8,610,412
Net finance income	7,948,414	3,526,883	16,532,271	11,703,186
9. Value added tax and national building tax on financial services				
9.1 Value added tax on financial services				
Current year charge	4,166,761	5,584,473	4,166,761	5,584,473
Under provision in respect of previous years	-	1,214,256	-	1,214,256
	4,166,761	6,798,729	4,166,761	6,798,729
9.2 National building tax on financial services				
Current year charge	555,568	833,528	555,568	833,528
	555,568	833,528	555,568	833,528
Value added tax and national building tax on financial services	4,722,329	7,632,257	4,722,329	7,632,257
10. Income taxes				
Current year tax expense	4,068,285	6,786,531	4,083,292	6,786,531
Under provision of taxes in respect of prior years	(86,149)	1,778,672	(86,149)	1,778,672
Deferred tax asset origination (Note 23.1)	(306,863)	(257,184)	(1,319,739)	(257,184)
Deferred tax liability (reversal) / origination (Note 23.2)	(495,173)	1,292,921	(129,478)	1,292,921
	3,180,100	9,600,940	2,547,926	9,600,940

11. Basic earnings / (loss) per share

Calculation of Basic Earnings / (loss) Per Share is based on the Net Profit / (loss) for the year attributable to Ordinary Shareholders divided by the Weighted Average Number of Ordinary Shares outstanding as at the reporting date.

	Company 2018	Company 2017	Group 2018	Group 2017
Profit/ (loss) attributable to equity holders of the Company/Group	1,348,723	4,179,442	(14,491,658)	(11,724,461)
Weighted average number of ordinary shares (Note 21)	10,767,978	10,767,978	10,767,978	10,767,978
	0.13	0.39	(1.35)	(1.09)

For the year ended 31st March 2018

12. Property , Plant & Equipment

12.1 Company

Cost	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Total 2018 Rs.	Total 2017 Rs.
Balance as at April 1,	6,714,022	22,795,057	12,936,990	42,446,069	31,038,324
Write-off due to missappropriation of assets (Note 33)	(1,635,782)	(2,670,152)	(30,000)	(4,335,934)	-
Additions during the year	358,535	1,096,650	238,588	1,693,774	11,407,745
Balance as at March 31,	**5,436,775**	**21,221,555**	**13,145,578**	**39,803,909**	**42,446,069**
Accumulated Depreciation and Impairment losses					
Balance as at April 1,	1,497,268	5,873,593	8,843,311	16,214,172	13,306,582
Write-off due to missappropriation of assets (Note 33)	(141,941)	(273,680)	(17,363)	(432,984)	-
Provision for Impairment (Note 12.1.1)	538,172	1,745,131	32,491	2,315,794	-
Charge for the year	318,322	1,415,098	1,900,022	3,633,443	2,907,590
Balance as at March 31,	**2,211,821**	**8,760,142**	**10,758,461**	**21,730,425**	**16,214,172**
Carrying amount					
As 31st March 2018	**3,224,955**	**12,461,413**	**2,387,117**	**18,073,484**	
As 31st March 2017	5,216,754	16,921,464	4,093,679		26,231,897

12.2 Group

Cost	Motor Vehicles Rs.	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Total 2018 Rs.	Total 2017 Rs.
Balance as at April 1,	235,990	7,478,711	28,526,883	21,005,985	**57,247,569**	43,236,690
Write-off due to missappropriation of assets (Note 33)	-	(1,635,782)	(2,670,152)	(30,000)	**(4,335,934)**	-
Additions during the year	-	588,535	1,096,650	572,588	**2,257,773**	14,125,129
Disposals during the year	-	-	-	-	-	(114,250)
Balance as at March 31,	**235,990**	**6,431,464**	**26,953,381**	**21,548,573**	**55,169,408**	**57,247,569**
Depreciation						
Balance as at April 1,	39,331	1,704,185	8,453,501	13,916,743	**24,113,760**	19,212,715
Write-off due to missappropriation of assets (Note 33)	-	(141,941)	(273,680)	(17,363)	**(432,984)**	-
Provision for Impairment (Note 12.1.1)	-	538,172	1,745,131	32,491	**2,315,794**	-
Charge for the year	47,196	438,073	2,131,582	3,201,359	**5,818,210**	5,015,295
Disposals during the year	-	-	-	-	-	(114,250)
Balance as at March 31,	**86,527**	**2,538,489**	**12,056,534**	**17,133,230**	**31,814,780**	**24,113,760**
Carrying amount						
As 31 March 2018	**149,463**	**3,892,976**	**14,896,847**	**4,415,343**	**23,354,628**	
As 31 March 2017	196,659	5,774,526	20,073,382	7,089,242		33,133,809

Note 12.1.1 Provision for impairment loss

During the year, Company has tested for impairment (Office equipment, Furniture and fittings and Computer Hardware) and recognised an impairment loss of Rs. 2,315,794/- with respect to property plant and equipement.

As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
13. Intangible assets				
Computer software (Note 13.1)	4,838,417	7,383,455	5,497,285	8,409,538
Goodwill (Note 13.2)	-	-	77,114,791	77,114,790
	4,838,417	7,383,455	82,612,076	85,524,328
13.1 Computer software				
Cost				
Balance as at April 1,	13,076,812	8,086,065	17,099,621	11,867,136
Write-off due to missappropriation of assets (Note 33)	(108,000)	-	(108,000)	-
Additions during the year	368,653	4,990,747	518,653	5,232,485
Balance as at March 31,	13,337,465	13,076,812	17,510,274	17,099,621
Amortisation				
Balance as at April 1,	5,693,358	2,979,710	8,690,084	5,443,266
Write-off due to missappropriation of assets (Note 13.1.1)	(62,506)	-	(62,506)	-
Provision for Impairment (Note 13.1.1)	74,079	-	74,079	-
Charge for the year	2,794,117	2,713,648	3,311,332	3,246,818
Balance as at March 31,	8,499,048	5,693,358	12,012,989	8,690,084
Carrying amount as 31 March,	4,838,417	7,383,455	5,497,285	8,409,538

Note 13.1.1 Provision for impairment loss

During the year, Company has tested for impairment of computer software and recognised an impairment loss of Rs. 74,079/- with respect to Intangible Assets.

13.2 Provision for impairment of Goodwill

Board of Directors have tested for impairment of Goodwill and of the view that no provision for impairment was required as at 31 March 2018.

14. Investment in subsidiary - Luxe Asia (Pvt) Ltd

	Company	
	31/3/2018	31/3/2017
	Rs.	Rs.
Balance as at April 1,	48,975,000	48,975,000
Allowance for impairment (Note 14.1)	-	-
Balance net off impairment	48,975,000	48,975,000

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14.1 Allowance for impairment

As per the audited accounts of Luxe Asia (Pvt) Limited which carried an Emphasis of Matter over going concern for the year ended 31 March 2018, the Company has incurred a net loss of Rs. 15,135,530/- (2017 – 14,771,126/-), and as of that date the company's accumulated losses amounted to Rs. 102,161,362/- (2017 – 86,674,381/-). Further as at the reporting date, the current liabilities exceeded the current assets by Rs. 96,162,274/- (2017 – 84,607,860/-) and its total liabilities exceeded its total assets by Rs. 97,161,362/- (2017 - 81,674,381/-). However, the Board of Directors of Thomas Cook Lanka (Pvt) Limited and Luxe Asia (Pvt) Limited are of the view that, based on the five year cash flow projections approved by the Board, no provision for impairment was required as at March 31, 2018 for the investment in subsidiary. Accordingly, no provision has been made in the financial statements as at 31 March 2018 against the investment in subsidiary.

As at 31st March,

	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
15. Equity-accounted investee - Sita World Travel Lanka (Pvt) Ltd				
Equity accounted investee				
Interest in associate (Note 15.2)	10,313,800	10,313,800	8,476,153	9,181,004

15.1 Interest in associate

Sita World Travel Lanka Limited, is a company incorporated in Sri Lanka, to set up and carry out travel agent activities, and the Company acquired 24% stakes of Sita Travels on August 12, 2016 from Jetwings Travels (Private) Limited, which gives the significant influence over the Component.

Audited financial statements of Sita World Travel Lanka Limited carried an Emphasis of Matter over going concern as the company has incurred a net loss of Rs. 2,936,880 for the year ended 31 March 2018 and as of that date the Company's accumulated losses amounted to Rs. 28,332,707. Further the Company's current liabilities exceeded the current assets by Rs. 27,842,287 and its total liabilities exceeded its total assets by Rs. 25,832,707. However, the Board of Directors of the Company is of the view that, no provision for impairment is required for the investment in associate given that the Company has invested in Sita World Travel Lanka Limited during the last financial year and the synergy effect expected from the investment.

15.2 Movement in interest in associate

	2018 - (Rs.)	2017 - (Rs.)
15.2.1 Value of the Equity Accounted Investee		
Balance as at April 01,	9,181,004	10,313,800
Current year's share of comprehensive income		
Share of profit or loss, net of tax	(704,851)	(1,132,796)
Share of other comprehensive income, net of tax	-	-
Dividend received	-	-
Carrying value as at March 31,	8,476,153	9,181,004

15.3 Summarize financial information in interest in associate

	2018 - (Rs.)	2017 - (Rs.)
15.2 Carrying amount of interest in associate		
Financial Position of Equity Accounted Investee		
Non Current Assets	2,159,030	3,081,088
Current Assets	66,723,701	43,642,057
Non-Current Liabilities	(149,450)	(780,900)
Current Liabilities	(94,565,987)	(68,838,071)
Net Liabilities	(25,832,706)	(22,895,826)
Percentage Ownership Interest	24%	24%
Group's share of net assets	(6,199,849)	(5,494,998)
Goodwill	14,676,002	14,676,002
Carrying value of interest in equity accounted investee	8,476,153	9,181,004
15.3 Company's share of comprehensive income		
Financial Performance of Equity Accounted Investee		
Revenue	333,764,460	255,240,101
Loss for the year, net of tax	(2,936,880)	(7,079,978)
Other comprehensive income	-	-
Comprehensive income for the year	(2,936,880)	(7,079,978)
Comprehensive income for 8 months ended (from 1 August 2016 to 31 March 2017)	-	(4,719,985)
Company's share of comprehensive income (24%)	(704,851)	(1,132,796)

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As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
16. Other investments				
Non-Current assets				
Investment in fixed deposits	11,726,651	14,552,500	11,726,651	14,552,500
Interest receivable	302,891	1,457,469	302,891	1,457,469
	12,029,543	16,009,969	12,029,542	16,009,969
Current assets				
Investment in fixed deposits	106,943,877	84,742,668	107,443,877	85,242,668
Interest receivable	10,065,223	18,038,266	10,087,677	18,038,266
	117,009,101	102,780,934	117,531,555	103,280,934
Total long term investments	**129,038,644**	**118,790,903**	**129,561,097**	**119,290,903**

The Company has pledged following FDs with Commercial Bank, Sampath Bank and National Development Bank to obtain bank guarantees.

Company

Bank Name	Guarantee Number	Expiry Date	Fixed deposit amount Rs.	Guarantee amount Rs.
Bank guarantees obtained in favour of CBSL - For the licence in trading foreign currency				
Commercial Bank of Ceylon PLC	DBUGTLKR1702991	12/31/2017		500,000
	DBUGTLKR1611443	12/31/2017	2,304,941	500,000
	DBUGTLKR1611435	12/31/2017		500,000
	DBUGTLKR1611441	12/31/2017		500,000
			2,304,941	**2,000,000**
Bank guarantees obtained in favour of Bandaranayake International Airport				
Sampath Bank PLC	309451300017	3/31/2018	94,213,417	22,342,650
	308851300028	3/31/2019		10,744,800
			94,213,417	**33,087,450**

Group

Bank Name	Guarantee Number	Expiry Date	Fixed deposit amount Rs.	Guarantee amount Rs.
Bank guarantees obtained in favour of Luxe Asia (Pvt) Limited				
National Development Bank PLC	108250761355	3/1/2020		
	108250735923	1/24/2019	22,152,170	10,630,000
	108250735958	1/24/2019		
			22,152,170	**10,630,000**
Bank guarantees obtained in favour of Thomas Cook Lanka Limited				
Sampath Bank PLC	8810000490		24,866,584	36,000,000
			24,866,584	
			49,733,168	**36,000,000**

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As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
17. Current taxation				
Balance as at the beginning of the year	5,177,604	9,666,566	5,177,604	9,666,566
Provision for the year	(4,068,285)	(6,786,531)	(4,083,292)	(6,786,531)
	1,109,319	2,880,035	1,094,312	2,880,035
WHT on Fixed deposits	-	76,241	-	76,241
Tax Credit (Self assessment payments)	8,339,932	4,000,000	8,339,932	4,000,000
Misappropriation of cash (Note 33)	(10,899,000)	-	(10,899,000)	-
Reversal of over provision made in respect of prior years	86,149	(1,778,672)	86,149	(1,778,672)
ESC paid	-	-	-	-
Balance as at the end of the year	**(1,363,600)**	**5,177,604**	**(1,378,607)**	**5,177,604**
18. Amount due from related companies				
Lux Asia (Pvt) Limited	25,438,034	25,000,000	-	-
	25,438,034	**25,000,000**	-	-
19. Trade and other receivables				
Trade receivable	1,129,046	-	-	45,340,975
(-) Provision for bad debt (Note 19.1)	-	-	-	(578,395)
Trade receivable - Net off provision	1,129,046	-	10,395,140	44,762,580
Other receivable	7,309,373	5,738,154	39,404,160	16,550,485
Total trade and other receivables	**8,438,419**	**5,738,154**	**49,799,300**	**61,313,065**
19.1 Provision movement				
Balance as at the beginning of the year	-	-	-	21,277,485
Provision during the year	-	-	-	1,800,000
Write off during the year	-	-	-	(22,499,090)
Balance as at the end of the year	-	-	-	**578,395**
20. Cash and cash equivalents				
Cash in Hand				
- Sri Lankan rupees	24,437,521	24,298,418	25,437,521	25,298,418
- Foreign Currencies	43,778,706	1,944,335	43,778,706	1,944,335
Cash at Bank	1,214,404	28,035,456	14,497,403	33,351,939
	69,430,630	**54,278,209**	**83,713,629**	**60,594,692**
Bank Overdraft	(9,849,128)	(550)	(42,508,282)	(18,325,664)
Cash and cash equivalents as per cash flow statement	**59,581,502**	**54,277,659**	**41,205,347**	**42,269,028**
21. Stated capital				
10,767,978 Ordinary Shares	**107,679,780**	**107,679,780**	**107,679,780**	**107,679,780**

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As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
22. Employee benefits				
Balance as at the beginning of the year	3,560,629	3,361,427	8,555,145	7,351,686
Provision recognized during the year (Note 22.1)	1,095,938	918,515	3,336,251	2,680,538
Actuarial (gain) / loss during the year (Note 22.2)	129,252	(719,313)	537,916	(1,353,704)
	4,785,819	**3,560,629**	**12,429,312**	**8,678,520**
Payments during the year	-	-	-	(123,375)
Balance as at the end of the year	**4,785,819**	**3,560,629**	**12,429,312**	**8,555,145**

22.1 Provision recognized in profit or loss				
Current service costs	761,815	539,947	2,571,178	1,916,540
Interest costs	334,123	378,568	765,073	763,998
	1,095,938	**918,515**	**3,336,251**	**2,680,538**

22.2 Provision recognized in the other comprehensive income				
Actuarial gain during the year	**129,252**	**(719,313)**	**(537,916)**	**(1,353,704)**

As required by LKAS 19 - Employee Benefit, which became effective from 1 January 2012 the Company has provided for gratuity liability based on an internally generated model. The principal assumptions used in determining the cost of Employee Benefits were as follows.

	2018	2017
Discount rate	10.50%	11.50%
Future salary increment Rate	10.00%	12.00%

As at 31st March,

23. Deferred tax liabilities				
Deferred tax assets (Note 23.1)	1,340,030	996,976	2,410,119	996,976
Deferred tax liabilities (Note 23.2)	(3,391,022)	(3,886,195)	(3,756,717)	(3,886,195)
	(2,050,992)	(2,889,219)	(1,346,598)	(2,889,219)

The movements on the deferred tax account is as follows:

23.1 Deferred tax assets				
Balance at the beginning of the year	996,976	941,200	996,976	941,200
Origination during the year - recognised in Profit or Loss	306,863	257,184	1,319,739	257,184
Origination / (reversal) during the year - recognised in Other comprehensive income	36,191	(201,408)	93,404	(201,408)
Balance at the end of the year	**1,340,030**	**996,976**	**2,410,119**	**996,976**

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As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
23.2 Deferred tax liabilities (cont.)				
Balance at the beginning of the year	(3,886,195)	(2,593,275)	(3,886,195)	(2,593,275)
Reversal / (origination) during the year - recognised in Profit or Loss	495,173	(1,292,920)	129,478	(1,292,920)
Balance at the end of the year	(3,391,022)	(3,886,195)	(3,756,717)	(3,886,195)
Net Deferred tax liability	(2,050,992)	(2,889,219)	(1,346,598)	(2,889,219)

23.3 Deferred tax assets and liabilities are attributable to,

Company	31/03/2018		31/03/2017	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	(12,110,794)	(3,391,022)	(13,879,268)	(3,886,195)
Deferred tax assets				
Employee benefits	4,785,818	1,340,029	3,560,629	996,976
Net deferred tax liabilities	(7,324,976)	(2,050,993)	(10,318,639)	(2,889,219)

Group	31/03/2018		31/03/2017	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	(14,722,902)	(3,756,717)	(13,879,268)	(3,886,195)
Deferred tax assets				
Employee benefits	12,429,311	2,410,118	3,560,629	996,976
Net deferred tax liabilities	(2,293,592)	(1,346,599)	(10,318,639)	(2,889,219)

23.4 Impact due to Corporate Income Tax Rate Change

As provided for in LKAS 12 - Income taxes, deferred tax assets and liabilities should be measured at the rate (and tax law) that has been enacted or substantively enacted by the reporting date. As per the Inland Revenue Act No 24 of 2017 which has been legislated and will be effective from 1 April 2018, there will be no change in the tax rate applicable to the Company. Accordingly, tax rate of 28% has been considered for deferred tax computation. However, the new tax rate of 14% (previously exempted under section 13ddd of the Inland Revenue Act) will be applicable to the subsidiary, Luxe Asia (Pvt) Ltd from 1 April 2018, has been applied for the deferred tax computation of the subsidiary.

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As at 31st March,	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
24. Amount due to related companies				
Thomas Cook India Limited	24,304,665	23,452,120	24,304,665	23,452,120
25. Trade and other payables				
Trade payable	4,804,669	3,831,239	84,487,322	61,848,390
Other payables	3,132,052	5,433,632	36,177,715	52,435,316
	7,936,721	9,264,871	120,665,037	114,283,706

26. Related party transactions

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24 - Related Party Disclosures. The details of which are given below.

26.1 Transactions with the Related companies

Company	Nature of Relationship	Nature of Transaction	Transaction Amount 2018 (Rs.)	Transaction Amount 2017 (Rs.)
Thomas Cook India Limited	Parent Company	License fee – (SAP and Mudra)	-	6,279,238
		Allowance to Country Head	-	493,192
		Fees for IT/ software license	876,068	-
		AMC Board meeting & CITRIX	308,196	-
		Dividend paid	7,334,158	-
Luxe Asia (Pvt) Limited	Subsidiary	Fees for IT/ software license	438,034	-
		Board meeting & other expenses	150,146	-
Sita World Travel Lanka Ltd	Affiliate entity	Investment	-	10,313,800

26.2 Group

Group	Nature of Relationship	Nature of Transaction	Transaction Amount 2018 (Rs.)	Transaction Amount 2017 (Rs.)
Thomas Cook India Limited	Parent Company	License fee – SAP and Mudra	-	6,279,238
		Allowance to Country Head	-	493,192
		Sales	91,611,236	44,431,715
		Fees for IT/ software license	876,068	-
		AMC Board meeting & CITRIX	308,196	-
		Dividend paid	7,334,158	-
		Cost of sales	87,851,427	-
		Receipts	115,037,908	-
Kuoni Travel - Hong Kong	Subsidiary of Ultimate Parent Company	Sales	15,256,987	-
		Cost of Sales	13,757,591	-
		Receipts	12,614,679	-
Travel Corporation India Ltd	Subsidiary of Ultimate Parent Company	Sales	66,985,131	-
		Cost of Sales	60,547,989	-
		Receipts	130,774,369	-
SOTC	Subsidiary of Ultimate Parent Company	Sales	26,933,839	-
		Cost of Sales	24,413,556	-
		Receipts	31,108,476	-
TCI France	Subsidiary of Ultimate Parent Company	Sales	3,659,246	-
		Cost of Sales	3,184,391	-
		Receipts	4,207,555	-
Sita World Travels Limited	Affiliate entity	Investment	-	10,313,800
		Cost of sales	-	91,638
		Reimbursment	585,074	-

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26. Related party transactions (cont.)

26.3 Transactions with key management personnel

According to Sri Lanka Accounting Standard (LKAS) 24 - Related Party Disclosure, Key Management Personnel are those having authority and responsibility for planning, directing, and controlling the activities of the entity. Accordingly, the Directors of the Company / Group has been classified as KMP of the Company/ Group. Thomas Cook Inida Limited, being the parent company, the Board of Directors of the Company have been classified as KMP as they have the authority and responsibility for planning, directing, and controlling the activities of the entity directly or indirecity. Emoluments paid to key management personnel (Board of Directors) are as follow.

	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
Short term employee benefits	921,563	829,539	10,836,483	9,519,459
Post employement benefits	-	-	286,991	253,065

27. Financial risk management

27.1 Overview

The Group has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Liquidity risk
3. Market risk
4. Operational risk.

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27.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Group's risk management

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

27.3 Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Group's receivable from customers and other investments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk, particularly in the currently deteriorating economic circumstances. However, geographically there is no concentration of credit risk.

The Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management Committee; these limits are reviewed quarterly. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for company's similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

For the year ended 31st March 2018

27.3 Credit risk (cont.)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
Trade and other receivables	8,438,419	5,738,154	49,799,300	61,313,065
Other investments - Non current assets	12,029,543	16,009,969	12,029,542	16,009,969
Other investments - Current assets	117,009,101	102,780,934	117,531,555	103,280,934
Amount due from related companies	25,438,034	25,000,000	-	-
Cash and cash equivalents	69,430,630	54,278,209	83,713,629	60,594,692
	232,345,727	203,807,266	263,074,026	241,198,660

27.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses standard costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group maintains the following lines of credit:

	Company		Group	
	2018	2017	2018	2017
	Rs.	Rs.	Rs.	Rs.
Amount due to related companies	24,304,665	23,452,120	24,304,665	23,452,120
Trade and other payables	7,936,721	9,264,871	120,665,037	114,283,706
Bank overdraft	9,849,128	550	42,508,282	18,325,664
	42,090,514	32,717,541	187,477,984	156,061,490

As at 31st March 2018,

Company	Carrying amount (Rs.)	Contractual cash flows (Rs.) Up to 3 months	3-12 months	More than a year
Amount due to related companies	24,304,665	-	24,304,665	-
Trade and other payables	7,936,721	7,936,721	-	-
Bank overdraft	9,849,128	9,849,128	-	-
Dividend Payable	-	-	-	-
	42,090,514	17,785,849	24,304,665	-

As at 31st March 2017,

Company	Carrying amount (Rs.)	Contractual cash flows (Rs.) Up to 3 months	3-12 months	More than a year
Amount due to related companies	23,452,120	-	23,452,120	-
Trade and other payables	9,264,871	9,264,871	-	-
Bank overdraft	550	550	-	-
Dividend Payable	7,334,158	7,334,158	-	-
	40,051,699	16,599,579	23,452,120	-

For the year ended 31st March 2018

27. **Financial risk management (cont.)**

27.4 Liquidity risk (cont.)

Management of liquidity risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's policy is to hold cash and undrawn overdraft facilities at a level sufficient to ensure that the Group has available funds to meet its liabilities.

27.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group'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 optimizing the return.

27.5.1 **Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates . As protection against exchange rate fluctuations, the Group backs its commitments in local currency. The Group has not invested nor borrowed in foreign currencies. The Group does not use any derivative financial instruments to hedge the risk. The currency risk attached to financial instruments is minimal as it represents local currency.

27.5.2 **Interest rate risk**

Interest rate risk is the risk to the Group's earnings and economic value of equity ("EVE") arising from adverse movements in interest rates.

27.6 **Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

- Requirements for appropriate segregation of duties, including the independent authorization of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Requirements for the reporting of operational losses and proposed remedial action.
- Documentation of controls and procedures.
- Development of contingency plans.
- Training and professional development.
- Risk mitigation, including insurance when this is
- Ethical and business standards.
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified Requirements for the reporting of operational losses and proposed remedial action.

Compliance with Group standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Board of Directors and senior management of the Group.

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For the year ended 31 March 2018

28. Events occurring after the reporting date

No circumstances have arisen since the reporting date which would require adjustments or disclosure in the Financial Statements.

29. Capital commitments

As disclosed in Note 16, the Company have been pledged fixed deposits for the purpose of obtaining banking facilities, comprising of Overdraft facility and other pecuniary Aid, Assistance.

There were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date.

30. Contingent liabilities

There is a pending Labour Tribunal Litigation regarding termination of a staff member Ms. Ramona Fernando, the Plaintiff in Case No. 21/312/2014 at Labour Tribunal Court of Negambo. The Risk Assessment will be a compensation of Rs 500,000 (Maximum 01 year salary). Next hearing for the case is June 11, 2018.

There are no contingent liabilities, except for disclosed above as at reporting date.

31. Comparative figures

Where necessary information has been rearranged to confirm to current year's presentation and classification.

32. Directors responsibility for financial statements

The board of directors is responsible for the preparation and presentation of the financial statements.

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As at 31st March 2018

33 Impact of correction entries

During the year on June 2017, the Company discovered that the cash had been misappropriated by fraudulently adjusting the related prior period financial statements. Accordingly, Property, Plant & Equipment, Intangible Assets, Other Assets, Cash and Cash Equivalents, Other Liabilities and Statement of Profit or Loss and Other Comprehensive Income for the respective periods had been overstated.

Based on the independent review carried out by the Company, it has been concluded that the total impact of the fraud was Rs. 45,110,663/-. The Company had recovered the total loss in full during this financial year.

The impact of correction on retained earnings was assesed and concluded to be not material.

Accordingly, the total impact of the correction entries had been passed during the current financial year and the relevant financial assertions have been adjusted.

33.1 Correction entries passed during the year

33.1.1 Impact to the balances reported in the statement of financial position.

	Impact of correction		
	Prior to Corrections	Adjustments	Corrected Balances
31st March 2018	Rs.	Rs.	Rs.
Property, plant and equipment	21,975,651	(3,902,167)	18,073,484
Intangible assets	4,883,910	(45,493)	4,838,417
Investment in subsidiary	48,975,000	-	48,975,000
Equity-accounted investee	10,313,800	-	10,313,800
Other investments - Non current assets	12,029,543	-	12,029,543
Non-current assets	98,177,904	(3,947,660)	94,230,244
Amount due from related companies	25,438,034	-	25,438,034
Trade and other receivables	8,438,419	-	8,438,419
Prepayments	13,455,555	(9,143,004)	4,312,551
Other investments - Current assets	118,509,101	(1,500,000)	117,009,101
Cash and cash equivalents	39,770,044	29,660,586	69,430,630
Current assets	205,611,153	19,017,582	224,628,735
Total assets	**303,789,056**	**15,069,922**	**318,858,979**
Stated capital	107,679,780	-	107,679,780
Retained earnings	158,490,793	2,397,482	160,888,275
Total equity	266,170,572	2,397,482	268,568,054
Employee benefits	4,785,819	-	4,785,819
Deferred tax liabilities	2,050,992	-	2,050,992
Non-current liabilities	6,836,811	-	6,836,811
Amount due to related companies	24,304,664	-	24,304,664
Trade and other payables	6,163,281	1,773,440	7,936,721
Current taxation	(9,535,400)	10,899,000	1,363,600
Bank overdraft	9,849,128	-	9,849,129
Non-current liabilities	30,781,673	12,672,440	43,454,114
Total liability	37,618,484	12,672,440	50,290,925
Total equity and liability	**303,789,056**	**15,069,922**	**318,858,979**

As at 31st March 2018

33.1.2 Impact to the balances reported in the statement of profit or loss and OCI

For the year ended 31st March 2018	Impact of correction		
	Prior to Corrections	Adjustments	Corrected Balances
	Rs.	Rs.	Rs.
Revenue	210,097,786	1,477,000	211,574,786
Administrative expenses	(212,009,790)	920,482	(211,089,308)
Other income	817,259	-	817,259
Net finance income	7,948,414	-	7,948,414
Value added tax and national building tax on financial services	(4,722,329)	-	(4,722,329)
Income taxes	(3,180,100)	-	(3,180,100)
Profit for the year	(1,048,759)	2,397,482	1,348,723
Other comprehensive income, net of tax	(93,061)	-	(93,061)
Total comprehensive income	(1,141,820)	2,397,482	1,255,662

33.1.3 Impact to the balances reported in the statement of cash flows

For the year ended 31st March 2018	Impact of correction		
	Prior to Corrections	Adjustments	Corrected Balances
	Rs.	Rs.	Rs.
Net Cash Flows Generated from Operating Activities	86,198	25,712,926	25,799,124
Net Cash Flows Used in Investing Activities	(17,108,783)	3,947,660	(13,161,123)
Net Cash Flows Used in Financing Activities	(7,334,158)	-	(7,334,158)
Net Increase/(Decrease) in Cash and Cash Equivalents	**(24,356,742)**	**29,660,586**	**5,303,844**
Cash and Cash Equivalents at the beginning of the Year	54,277,659	-	54,277,659
Cash and Cash Equivalents at the end of the year	**29,920,917**	**29,660,586**	**59,581,503**

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33.2 **Re-stated balances, had the correction entries been passed in the prior years.**

33.2.1 **Impact to the balances reported in the statement of financial position.**

	Impact of correction		
	As previously reported	Adjustments	If restated
31st March 2016	Rs.	Rs.	Rs.
Property, plant and equipment	16,513,866	(3,156,534)	13,357,332
Intangible assets	6,324,232	(99,493)	6,224,739
Investment in subsidiaries	48,975,000	-	48,975,000
Other investments - Non current assets	129,629,168	-	129,629,168
Non current assets	201,442,266	(3,256,027)	198,186,239
Current tax assets	9,666,566	(9,999,000)	(332,434)
Amount due from related companies	25,000,000	-	25,000,000
Trade and Other Receivable	7,492,737	-	7,492,737
Receivable on Recoveries	-	24,044,503	24,044,503
Prepayments	9,184,893	(4,080,700)	5,104,193
Other investments - Current assets	4,898,332	-	4,898,332
Cash and Cash Equivalents	59,454,312	(4,191,779)	55,262,533
Current assets	115,696,840	5,773,024	121,469,864
Total assets	**317,139,106**	**2,516,997**	**319,656,103**
Retained earnings	158,059,850	1,187,497	159,247,347
Stated capital	107,679,780	-	107,679,780
Total equity	265,739,630	1,187,497	266,927,127
Employee benefits	3,361,427	-	3,361,427
Deferred tax liabilities	1,652,075	-	1,652,075
Non-current liabilities	5,013,502	-	5,013,502
Amount due to related companies	19,462,275	-	19,462,275
Trade and other payables	6,760,694	1,329,500	8,090,194
Dividend payable	20,163,005	-	20,163,005
Non-current liabilities	46,385,974	1,329,500	47,715,474
Total liability	**51,399,476**	**1,329,500**	**52,728,976**
Total equity and liability	**317,139,106**	**2,516,997**	**319,656,103**

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33.2.1 **Impact to the balances reported in the statement of financial position (Cont.)**

	Impact of correction		
	As previously reported	Adjustments	If restated
31st March 2017	Rs.	Rs.	Rs.
Property, plant and equipment	26,231,897	(4,157,095)	22,074,802
Intangible assets	7,383,455	(72,493)	7,310,962
Investment in subsidiary	48,975,000	-	48,975,000
Equity-accounted investee	10,313,800	-	10,313,800
Other investments - Non current assets	16,009,969	-	16,009,969
Non current assets	108,914,121	(4,229,588)	104,684,533
Current taxation	5,177,604	(10,899,000)	(5,721,396)
Amount due from related companies	25,000,000	-	25,000,000
Trade and Other Receivable	5,738,154	-	5,738,154
Receivable on Recoveries	-	37,515,288	37,515,288
Prepayments	11,924,918	(8,903,004)	3,021,914
Other investments - Current assets	102,780,934	-	102,780,934
Cash and Cash Equivalents	54,278,209	(9,607,702)	44,670,507
Current assets	204,899,819	8,105,582	213,005,401
Total assets	**313,813,940**	**3,875,994**	**317,689,934**
Stated capital	107,679,780	-	107,679,780
Retained earnings	159,632,613	2,102,554	161,735,167
Total equity	267,312,393	2,102,554	269,414,947
Employee benefits	3,560,629	-	3,560,629
Deferred tax liabilities	2,889,219	-	2,889,219
Non-current liabilities	6,449,848	-	6,449,848
Amount due to related companies	23,452,120	-	23,452,120
Trade and other payables	9,264,871	1,773,440	11,038,311
Dividend payable	7,334,158	-	7,334,158
Bank overdraft	550	-	550
Non-current liabilities	40,051,699	1,773,440	41,825,139
Total liability	46,501,547	1,773,440	48,274,987
Total equity and liability	**313,813,940**	**3,875,994**	**317,689,934**

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33.2.2 Impact to the balances reported in the statement of profit or loss and OCI

	Impact of correction		
For the year ended 31st March 2017	As previously reported Rs.	Adjustments Rs.	As restated Rs.
Revenue	218,163,923	577,000	218,740,923
Administrative expenses	(200,278,167)	338,057	(199,940,110)
Net finance income	3,526,883	-	3,526,883
Value added tax and national building tax on financial services	(7,632,257)	-	(7,632,257)
Income taxes	(9,600,940)	-	(9,600,940)
Profit for the year	4,179,442	915,057	5,094,499
Other comprehensive income, net of tax	517,905	-	517,905
Total comprehensive income	4,697,347	915,057	5,612,404

There is no material impact on the Company's basic or diluted earnings per share for the year ended 31 March 2017.

33.2.3 Impact to the balances reported in the statement of cash flows

	Impact of correction		
For the year ended 31st March 2017	As previously reported Rs.	Adjustments Rs.	As restated Rs.
Net Cash Flows Generated from Operating Activities	15,198,508	(13,837,290)	1,361,218
Net Cash Flows Used in Investing Activities	(4,421,730)	4,229,588	(192,142)
Net Cash Flows used in Financing Activities	(15,953,431)	-	(15,953,431)
Net Decrease in Cash and Cash Equivalents	(5,176,653)	(9,607,702)	(14,784,355)
Cash and Cash Equivalents at the beginning of the Year	59,454,312	(5,415,923)	54,038,389
Cash and Cash Equivalents at the end of the year	54,277,659	(15,023,625)	39,254,034

KPMG Chartered Accountants

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Contents

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Corporate data

			Date appointed	Date resigned
Directors	:	Mr Madhavan Menon	19 November 2001	-
		Mr Mahesh Chandran Iyer	04 January 2013	-
		Mr Mohinder Dyall	04 September 2013	-
		Mr Ramakrishna Sithanen	19 January 2016	-
		Mr Mathew John Lamport	19 January 2016	-
		Mr Rajeev Hasnah	24 April 2016	07 February 2018

Administrator and Secretary : Executive Services Limited
(As from 01 November 2017)
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

(Up to 01 November 2017) CIM Global Administrator Ltd
Les Cascades Building
Edith Cavell Street
Port Louis
Republic of Mauritius

Registered office : C/o Executive Services Limited
(As from 01 November 2017)
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

(Up to 01 November 2017) C/o CIM Global Administrator Ltd
Les Cascades Building
Edith Cavell Street
Port Louis
Republic of Mauritius

Auditors : Grant Thornton
Ebene Tower
52 Cybercity
Ebene 72201
Republic of Mauritius

Banker : The Mauritius Commercial Bank Ltd
Sir William Newton Street
Port Louis
Republic of Mauritius

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Annual report

The directors have pleasure in submitting their annual report together with the audited financial statements of Thomas Cook (Mauritius) Holding Company Limited, the "Company", for the year ended 31 March 2018.

Principal activity

The principal activity of the Company is to hold investments.

Results and dividends

The results for the year are as shown on page 11.

The directors did not recommend the payment of a dividend for the year under review (2017: Nil).

Directors

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

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 judgments and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ("IFRS") 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 have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the International Financial Reporting Standards. 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.

Directors' interests

The directors do not hold any interests in the ordinary shares of the Company.

Significant contracts

No contracts of significance exist between the Company and its directors.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Annual report (Contd)

Directors' remuneration

	2018 USD	2017 USD
Directors' remuneration including sitting fees	**4,336**	6,188

Auditors

The auditors, **Grant Thornton**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting. The fees of USD 3,450 (2017: USD 3,508) (including VAT) payable to the auditors are exclusively for audit services.

Director

Director

Date: 15 MAY 2018

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Holding Company Limited

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Thomas Cook (Mauritius) Holding Company Limited,** under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2018.

***for* Executive Services Limited**
Company Secretary
Per Jean Benoit YENCANA, ACIS
EXECUTIVE SERVICES LTD

Registered office:

2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date: 15 MAY 2018

Grant Thornton

Independent auditors' report
To the member of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thomas Cook (Mauritius) Holding Company Limited, the "Company", which comprise the statement of financial position as at 31 March 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 10 to 22 give a true and fair view of the financial position of the Company as at 31 March 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information")

Management is responsible for the Other Information. The Other Information comprises mainly of information included under the Corporate Data and Annual Report sections, but does not include the financial statements and our auditors' report thereon.

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

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

Grant Thornton

Independent auditors' report (Contd)
To the member of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements (Contd)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Grant Thornton

Independent auditors' report (Contd)
To the member of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements (Contd)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;

- we have obtained all the information and explanations we have required; and

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

Grant Thornton

Independent auditors' report (Contd)
To the member of Thomas Cook (Mauritius) Holding Company Limited

Other

Our report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinion we have formed.

Grant Thornton

Grant Thornton
Chartered Accountants

Y NUBEE, FCCA
Licensed by FRC

Date: 15 MAY 2018

Ebene 72201, Republic of Mauritius

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of financial position as at 31 March

	Notes	2018 USD	2017 USD
Assets			
Non-current assets			
Investments in subsidiaries	7	**1,596,417**	1,596,417
Current			
Cash and cash equivalents	8	**40,591**	53,822
Current assets		**40,591**	53,822
Total assets		**1,637,008**	1,650,239
Equity and liabilities			
Equity			
Stated capital	9	**1,655,500**	1,655,500
Accumulated losses		**(23,981)**	(12,384)
Total equity		**1,631,519**	1,643,116
Current			
Payables and accruals	10	**5,489**	7,123
Current liabilities		**5,489**	
Total liabilities		**5,489**	7,123
Total equity and liabilities		**1,637,008**	1,650,239

Approved by the Board of Directors on 15 MAY 2018 and signed on its behalf by:

Director

Director

The notes on pages 14 to 22 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of comprehensive income for the year ended 31 March

	Note	2018 USD	2017 USD
INCOME			
Interest income		**163**	-
EXPENDITURE			
Secretarial fees		**2,434**	2,640
Directors' fees		**4,336**	6,188
Professional fees		**-**	2,269
Audit fees		**3,450**	3,508
Taxation fees		**1,150**	1,150
Bank charges		**379**	118
Disbursements		**11**	132
Realised loss on exchange		**-**	100
Total expenditure		**11,760**	16,105
Operating loss		**(11,597)**	(16,105)
Tax expense	11	**-**	-
Loss for the year		**(11,597)**	(16,105)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that will be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive loss the year		**(11,597)**	(16,105)

The notes on pages 14 to 22 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of changes in equity for the year ended 31 March

	Stated capital USD	Accumulated losses USD	Total USD
At 01 April 2017	**1,655,500**	**(12,384)**	**1,643,116**
Loss for the year	**-**	**(11,597)**	**(11,597)**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive loss for the year	**-**	**(11,597)**	**(11,597)**
At 31 March 2018	**1,655,500**	**(23.981)**	**1,631,519**
At 01 April 2016	1,655,500	3,721	1,659,221
Loss for the year	-	(16,105)	(16,105)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(16,105)	(16,105)
At 31 March 2017	1,655,500	(12,384)	1,643,116

The notes on pages 14 to 22 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of cash flows for the year ended 31 March

	Notes	2018 USD	2017 USD
Operating activities			
Loss before tax		**(11,597)**	(16,105)
Net changes in working capital:			
Change in prepayments		**-**	1,189
Change in accruals		**(379)**	(3,797)
Total changes in working capital		**(379)**	(2,608)
Net cash used in operating activities		**(11,976)**	(18,713)
Financing activities			
Expenses paid by subsidiary (repaid)/received	10	**(1,255)**	369
Net cash from financing activities		**(1,255)**	369
Net change in cash and cash equivalents		**(13,231)**	(18,344)
Cash and cash equivalents, beginning of the year		**53,822**	72,166
Cash and cash equivalents, end of year		**40,591**	53,822
Cash and cash equivalents made up of:			
Cash at bank	8	**40,591**	53,822

The notes on pages 14 to 22 form an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2018

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Thomas Cook (Mauritius) Holding Company Limited, the "Company", was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 20 December 1994 as a private company with liability limited by shares. The Company's registered office is C/o Executive Services Limited, 2nd Floor, Les Jamalacs Building, Vieux Conseil Street, Republic of Mauritius.

The principal activity of the Company is to hold investments.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2. Application of new and revised IFRS

2.1 New and revised standards that are effective for annual periods beginning on 01 April 2017

In the current year, the following revised standards issued by IASB became mandatory for the first time for the financial year beginning on 01 April 2017:

IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
IAS 7	Disclosure Initiative (Amendments to IAS 7, Statement of Cash Flows)

The directors have assessed the impact of these revised standards and concluded that none of these revised standards have an impact on the disclosures of these financial statements.

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, amendments to existing standards and interpretations, have been published but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements, as applicable to the Company's activity, will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncements. Information on new standards, amendments and interpretations is provided below.

IAS 40	Transfers of Investment Property
IFRS 15	Revenue from Contracts with Customers
IFRS 9	Financial Instruments (2014)
IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)
IFRS 2	Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
IFRS 16	Leases
IFRIC 22	Foreign Currency Transactions and Advance Consideration
IFRIC 23	Uncertainty Over Income Tax Treatments
IFRS 9	Prepayments Features with Negative Compensation (Amendments to IFRS 9)

Notes to the financial statements

For the year ended 31 March 2018

2. Application of new and revised IFRS (Contd)

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company (Contd)

IAS 28	Long term Interests in Associates and Joint ventures (Amendments to IAS 28)
IFRS 17	Insurance Contracts

Management has yet to assess the impact of the above standards, amendments and interpretations on the Company's financial statements.

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into loans and receivables.

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within 'finance income' or 'finance costs', except for impairment of receivables which is presented within other expenses.

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets (Contd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific company will default.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include payables and accruals.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

Offsetting financial instruments

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

3.3 Investments in subsidiaries

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

Investments in subsidiaries are stated at cost less impairment. Where an indication of impairment exists, the recoverable amounts of the investments are assessed. Where the carrying amounts of the investments are greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to statement of comprehensive income. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

The Company does not present consolidated financial statements as it is wholly-owned by a parent company (see note 7 (iii)).

3.4 Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Notes to the financial statements

For the year ended 31 March 2018

3. Summary of accounting policies (Contd)

3.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

3.6 Equity and reserves

Stated capital is determined using the nominal value of shares that have been issued.

Accumulated losses include all current and prior years' results.

3.7 Foreign currency

Functional and presentation currency

The financial statements are presented in currency United State Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency translations and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.8 Revenue

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the accrual basis using the effective interest rate.

3.9 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

Notes to the financial statements

For the year ended 31 March 2018

3. Summary of accounting policies (Contd)

3.11 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.12 Expense recognition

All expenses are accounted for on the accrual basis.

3.13 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3.14 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Determination of functional currency

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

Recognition of deferred tax assets

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Impairment of investments in subsidiaries

The determination of impairment of investments in subsidiaries requires significant judgement. In making this judgement, management evaluates, among other factors, the duration and extent to which the fair value of an investments is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Going concern assumption

The directors have exercised judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the Company's future business projects, future cash flows and future profitability and financial support from related parties.

Notes to the financial statements

For the year ended 31 March 2018

3. Summary of accounting policies (Contd)

3.14 Significant management judgements in applying accounting policies and estimation uncertainty (Contd)

Estimation uncertainty

At 31 March 2018, there were no estimates and assumptions that would have a significant effect on the recognition and measurement of assets, liabilities, income and expenses.

4. Financial instrument risk

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is carried out under policies approved by the Board of Directors and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the Company is exposed are described below:

4.1 Market risk analysis

Foreign exchange sensitivity

The Company is not exposed to foreign currency risk at the reporting date as all transactions are carried out in USD.

Interest rate sensitivity

The exposure to interest rates for the Company's bank balance is considered immaterial.

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The financial assets that potentially expose the Company to credit risk consist only of cash and cash equivalents.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2018 USD	2017 USD
Current assets		
Cash and cash equivalents	**40,591**	53,822

The credit risk for the bank balance is considered negligible since the Company transacts with a reputable bank.

Notes to the financial statements

For the year ended 31 March 2018

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.3 Liquidity risk analysis

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

Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium and long-term funding and liquidity management requirements.

As of 31 March 2018, its main liability was for accrued expenses.

5. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member and other stakeholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared at the reporting date.

6 Fair value measurement

6.1 Fair value measurement of financial instruments

The Company's financial assets and liabilities are measured at their carrying amounts which approximate their fair values.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company did not have any non-financial instruments at the reporting date.

7. Investments in subsidiaries

(i) Unquoted and at cost:

	2018 USD	2017 USD
At 01 April and 31 March	**1,596,417**	1,596,417

Notes to the financial statements

For the year ended 31 March 2018

7. Investments in subsidiaries (Contd)

(ii) Details of the investments are as follows:

Name of investee company	Country of incorporation	Type of investment	% holding
Thomas Cook (Mauritius) Operations Company Limited	Republic of Mauritius	Ordinary shares	100
Thomas Cook (Mauritius) Holidays Ltd	Republic of Mauritius	Ordinary shares	100

(iii) No consolidated financial statements are presented as the Company's immediate holding company, Thomas Cook (India) Limited, will present consolidated financial statements under IFRS. The registered office of Thomas Cook (India) Limited, is A Wing, 11th Floor, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai, 400 013.

(iv) The directors have carried out an impairment assessment on the investments and concluded that the investments have not impaired at the reporting date.

8. Cash and cash equivalents

	2018 USD	2017 USD
Cash at bank	**40,591**	53,822

9. Stated capital

	2018 USD	2017 USD
1,655,500 ordinary shares of USD 1 each	**1,655,500**	1,655,500

10. Payables and accruals

	2018 USD	2017 USD
Accruals	**5,489**	5,868
Other payables	-	1,255
Total	**5,489**	7,123

11. Taxation

(i) Income tax

The Company is liable to income tax at the rate of 15% and at 31 March 2018 it had no income tax liability due to accumulated tax losses of **USD 68,570** (2017: USD **88,593**) carried forward.

11. Taxation (Contd)

(ii) Income tax reconciliation

The income tax on the Company's loss before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

	2018 USD	2017 USD
Loss before tax	**(11,597)**	(16,105)
Tax at effective rate of 15%	**(1,739)**	(2,416)
Deferred tax asset not recognised	**1,739**	2,416
Tax expense	**-**	-

(iii) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%. No provision for deferred tax asset has been made as no taxable income is probable in the foreseeable future.

12. Related party transactions

For the year ended 31 March 2018, the Company had transactions with its related parties. The nature, volume of transactions and the balances are as follows:

Nature of relationship	Nature of transactions	Volume of transactions USD	Credit balance at 31 March 2018 USD	Credit balance at 31 March 2017 USD
Subsidiary	Amount payable	**1,255**	**-**	1,255
Key management personnel	Director fees	**4,336**	**902**	-

All related party transactions are done at arm's length.

13. Holding companies

The directors consider Thomas Cook (India) Limited, a company listed on the Bombay Stock Exchange, India, as the immediate holding company and Fairfax Financial Holdings Limited, a company listed on the Toronto Stock Exchange, Canada, as the ultimate holding company.

Thomas Cook (India) Limited holds 100% of the shares of Thomas Cook (Mauritius) Holding Company Limited.

Fairbridge Capital (Mauritius) Limited ("Fairbridge"), a subsidiary of Fairfax Financial Holdings Limited (the "ultimate parent"), Canada and its affiliates, held 248,153,725 equity shares of INR 1 each corresponding to 67.66% stake in Thomas Cook (India) Limited as on 31 March 2017. As at the financial year ended 31 March 2018, the Fairbridge held 248,153,725 equity shares if INR 1 each corresponding to 67.03% stake in Thomas Cook (India) Limited.

B S R & Co. LLP
Chartered Accountants

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N. M. Joshi Marg, Mahalaxmi
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Independent Auditor's Report

To The Members of
TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Report on the Audit of the Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements of TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of profit and loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to the 'the financial statement').

Management's responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

Independent Auditor's Report *(Continued)*

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Auditor's responsibility *(Continued)*

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 27 April 2017 and 27 April 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us

Independent Auditor's Report *(Continued)*

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements;

      ii. The Company did not have any long term contracts including derivative contracts as at the March 31, 2018 for which there were material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

Independent Auditor's Report *(Continued)*

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Report on other legal and regulatory requirements *(Continued)*

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
23 August 2018

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Annexure – A to the Independent Auditor's Report – 31 March 2018

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of the Company on the Standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has performed physical verification of certain fixed assets during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are held by the Company. Accordingly, clause (c) of paragraph 3(i) of the Order is not applicable to the Company.

(ii) The Company is a service company primarily rendering money changing related services. Accordingly, the Company does not hold physical inventory. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loan and investments made and guarantees given by it. The Company has not granted any loan or given any guarantee or security to the parties covered under section 185 of the Companies Act, 2013 and accordingly, to this extent, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts accrued/deducted in the books of account in respect of undisputed statutory dues including Provident fund, Employee's State Insurance, Income- tax, Service tax, Goods & Service tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, duty of Custom, duty of Excise and Cess.

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Annexure – A to the Independent Auditor's Report – 31 March 2018 *(Continued)*

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income-tax, Service tax, Goods & Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) There are no dues of Income Tax and Service Tax as on 31 March 2018 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to the banks and financial institutions. The Company did not have any outstanding dues to Government or debenture holders during the year.

(ix) The term loans were applied for the purpose they were raised for the year. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanation given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Annexure – A to the Independent Auditor's Report – 31 March 2018 *(Continued)*

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
23 August 2018

TC Forex Services Limited (formerly known as Tata Capital Forex Limited)

Annexure – B to the Independent Auditor's Report – 31 March 2018

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ("the Company") as at 31 March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

TC Forex Services Limited (formerly known as Tata Capital Forex Limited)

Annexure – B to the Independent Auditor's Report – 31 March 2018 *(Continued)*

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
23 August 2018

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Balance Sheet
as at 31 March, 2018

(All amounts in INR , unless otherwise stated)

Particulars	Notes	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
ASSETS				
Non-current assets:				
Property, plant and equipment	3	**5,513,290**	8,870,454	9,552,523
Other intangible Assets	4	-	-	3,098
- Other financial assets	5(c)	**4,614,800**	6,055,666	18,985,312
Other non-current assets	6	**13,356,647**	12,324,867	12,108,279
Non Current Tax assets	8	**26,962,212**	28,552,212	27,076,698
Total non-current assets		**50,446,949**	55,803,199	67,725,910
Current assets:				
Financial assets				
- Trade receivables	5(a)	**500,837,125**	405,388,568	398,912,174
- Cash and cash equivalents	5(b)	**89,818,293**	108,574,128	287,886,514
- Other financial assets	5(c)	**18,114,461**	21,129,789	3,761,941
Other current assets	7	**5,317,745**	4,599,169	6,390,094
Total current assets		**614,087,624**	539,691,654	696,950,723
TOTAL ASSETS		**664,534,573**	595,494,853	764,676,633
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	9(a)	**118,451,330**	109,339,690	104,339,690
Other equity				
Reserve and surplus	9(b)	**(109,489,370)**	(102,714,666)	(96,959,681)
Total Equity		**8,961,960**	6,625,024	7,380,009
LIABILITIES				
Non-current liabilities				
Employee Benefit Obligations	13	-	-	2,002,979
Other non-current liabilities	11	**12,749,549**	12,749,549	12,749,549
Total non-current liabilities		**12,749,549**	12,749,549	14,752,528
Current liabilities				
Financial liabilities				
- Borrowings	10(a)	**343,435,945**	301,500,000	350,000,000
- Other financial liabilities	10(b)	**7,245,857**	2,223,983	378,216
- Trade payables	10(c)	**264,772,493**	234,018,902	345,762,517
Employee Benefit Payable	13	**2,489,428**	3,018,795	6,211,606
Other current liabilities	12	**24,879,341**	35,358,600	40,191,757
Total current liabilities		**642,823,064**	576,120,280	742,544,096
TOTAL LIABILITIES		**655,572,613**	588,869,829	757,296,624
TOTAL EQUITY AND LIABILITIES		**664,534,573**	595,494,853	764,676,633

Significant accounting policies and notes to standalone financial statements (1-32) forming integral part of the financial statements

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Place : Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Forex Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Tanmay Bidikar
Company Secretary

TC Forex Services Limited

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Statement of Profit And Loss
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

Particulars	*Notes*	**For the year ended 31 March 2018**	For the year ended 31 March 2017
Income			
Revenue from operations	14	**144,087,113**	160,636,425
Other income	15	**6,401,690**	6,057,448
Total income		**150,488,803**	166,693,873
Expenses			
Employee benefits expense	16	**71,022,492**	72,206,232
Depreciation and amortisation expense	17	**2,739,032**	2,812,366
Other expenses	18	**51,951,098**	57,228,849
Finance Cost	19	**33,161,718**	37,154,231
Total expenses		**158,874,340**	169,401,678
Profit before exceptional item		**(8,385,537)**	(2,707,805)
Add Exceptional items:		-	-
(Loss)/Profit before tax		**(8,385,537)**	(2,707,805)
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
(Loss)/Profit for the year (A)		**(8,385,537)**	(2,707,805)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**727,004**	(3,047,180)
Income tax relating to items that will not be reclassified to profit or loss			
Total other comprehensive income for the year, net of taxes (B)		**727,004**	(3,047,180)
Total comprehensive income for the year (A+B)		**(7,658,533)**	(5,754,985)
Loss per equity share (Face value of INR 10/- each)	24		
- Basic and Diluted loss per share		**(0.75)**	(0.25)

Significant accounting policies and notes to standalone financial statements (1-32) forming integral part of the financial statements

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Place : Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Forex Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

T. Bidikar

Tanmay Bidikar
Company Secretary

TC Forex Services Limited

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Notes forming part of the Financial Statements

as at and for the year ended 31 March, 2018

(All amounts in INR , unless otherwise stated)

Statement of Changes in Equity:

A Share Capital

Particulars	Equity share Amount
As at 01 April, 2016	**104,339,690**
Changes in share capital during the period (Refer Note 9)	5,000,000
As at 31 March 2017	**109,339,690**
Changes in share capital during the period (Refer Note 9)	9,111,640
As at 31 March, 2018	**118,451,330**

B Other Equity

Particulars	Securities Premium Account	General Reserve	Retained Earnings	Total Reserves and Surplus
Balance as at 1 April, 2016	-	**1,373,413**	**(98,333,094)**	**(96,959,681)**
Loss for the year	-		(2,707,805)	(2,707,805)
Other Comprehensive Income/(Loss)			(3,047,180)	(3,047,180)
Balance as at 31 March, 2017	-	**1,373,413**	**(104,088,079)**	**(102,714,666)**
Loss for the year		-	(8,385,537)	(8,385,537)
Addition on account of fresh issue	883,829	-	-	883,829
Other Comprehensive Income	-	-	727,004	727,004
Balance as at 31st March, 2018	**883,829**	**1,373,413**	**(111,746,612)**	**(109,489,370)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Place : Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Forex Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Tanmay Bidikar
Company Secretary

TC Forex Services Limited

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Statement of Cash Flows
for the year ended 31 March, 2018

(All amounts in INR , unless otherwise stated)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
A) Cash flow from operating activities			
Profit before income tax		**(8,385,537)**	(2,707,805)
Adjustments for			
Depreciation and Amortisation	17	**2,739,032**	2,812,366
Profit/(Loss) on sale of Fixed Assets (Net)		**1,124,988**	(22,000)
Liabilities Written Back		**(1,173,979)**	(692,708)
Finance Costs	19	**31,198,925**	34,749,493
Bad Debts and Advances written off	18	**6,213**	12,064
Provision for doubtful debts (net off bad debts written off)	18	**624,904**	2,521,812
Provision for doubtful Advances	18	**60,708**	535,043
Net unrealised exchange loss		**(266,551)**	348,828
Operating Profit before Working Capital changes		**25,928,703**	37,557,093
Change in operating assets and liabilities			
Increase/(Decrease) in Trade Payables		**29,592,034**	(110,642,100)
Increase/(Decrease) in Other financial Liabilities		**2,966,178**	-
Decrease in Other Liabilities		**(10,479,259)**	(4,833,157)
Decrease in Employee Benefit Obligations		**197,637**	(8,242,970)
Increase in Trade Receivables		**(94,097,732)**	(10,014,187)
Decrease/(Increase) in Other Financial Assets		**4,456,195**	(4,438,202)
(Increase)/Decrease in Other Assets		**(1,750,360)**	1,574,340
Cash generated from operations		**(43,186,604)**	(99,039,183)
Income taxes paid (Net of Refunds Received)		**1,590,000**	(1,475,514)
Net cash inflow from operating activities		**(41,596,604)**	(100,514,697)
B) Cash flow from investing activities:			
Proceeds from sale of Fixed Assets		**51,515**	22,000
Purchase of Fixed Assets		**(680,623)**	(2,383,168)
Net cash outflow from investing activities		**(629,108)**	(2,361,168)
C) Cash flow from financing activities			
Proceeds from Issue of Equity Shares		**9,995,469**	5,000,000
Loan received from holding company		**650,935,945**	342,200,000
Loan repaid to holding company		**(609,000,000)**	(390,700,000)
Finance Costs paid		**(29,020,979)**	(32,647,760)
Net cash inflow (outflow) from financing activities		**22,910,435**	(76,147,760)
Net increase/(decrease) in cash and cash equivalents		**(19,315,277)**	(179,023,625)
Add: Cash and cash equivalents at the beginning of the financial year		**108,574,127**	287,886,514
Effects of exchange rate changes on cash and cash equivalents		**559,440**	(288,762)
Cash and cash equivalents at the end of the year		**89,818,290**	108,574,127
Reconciliation of Cash Flow statements as per the cash flow statement		**31 March, 2018**	31 March, 2017
Cash Flow statement as per above comprises of the following			
Cash and cash equivalent (Refer Note 5 (b))		**89,818,293**	108,574,128
Bank Overdrafts		-	-
Balances as per statement of cash flows		**89,818,293**	108,574,128

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Chartered Accountants

TC Forex Services Limited

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Statement of Cash Flows *(Continued)*

for the year ended 31 March, 2018

(All amounts in INR)

Notes:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

2. Additions to property, plant and equipment and other intangible assets include movement of capital work in progress, payables for fixed assets and capital advances during the year.

The above statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Place : Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Forex Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

T Bidikar

Tanmay Bidikar
Company Secretary

TC Forex Services Limited

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Notes forming part of the Standalone Financial Statements
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

General Information

The Company was incorporated as Private Limited Company on November 07, 2006.The Company was converted into a Public Company pursuant to becoming a wholly owned Subsidiary of Tata Capital Limited w.e.f. August 25, 2010. The Company received the fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company from the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands on November 03, 2010. The Company is in the business of providing money changing related services. The name of the Company has been changed from T T Holdings & Services Limited to Tata Capital Forex Limited w.e.f August 29, 2013. In the financial year 2017-18, Tata Capital Forex Limited is acquired by Thomas Cook India Limited on 30th October, 2017. The name of the Company has been change from Tata Capital Forex Limited to TC Forex Services Limited w.e.f 30th October, 2017.

The financial statements for the year ended 31 March 2018 were approved by the Board of Directors and authorised for issue on 23 August 2018.

1 Significant Accounting Policies

1.1 Basis of preparation

(a) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March, 2018.

These financial statements for the year ended 31 March, 2018 are the first financial statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with the generally accepted accounting principles (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31 March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Restated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017, April 1, 2016 and of the Statement of Comprehensive Income and Statement of Cash Flows for the year ended March 31, 2017 as provided in note 25.

(b) Historical cost convention

Standalone Financial Statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities - measured at fair value,
• defined benefit plans – defined benefit obligations less plan assets measured at fair value,

The standalone financial statements are presented in Indian Rupees "(INR)" or "(Rs.)" which is also the Company's functional currency.

1.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors, the chief executive officer and the chief financial officer have been identified as being the CODM. Refer note 30 for segment information presented.

1.3 Foreign currency translation and transactions

Foreign currency transactions are recorded into Indian rupees using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the Statement of profit and loss.
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates prevailing on the balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited / charged to the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of the transactions. Non-monetary foreign currency items are carried at historical cost. A foreign currency monetary item is classified as long-term if it has original maturity of one year or more.

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TC Forex Services Limited

(All amounts in INR , unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.4 Revenue Recognition

Revenue on foreign exchange services is recognised at the time of purchase and sale. Revenue reflects margin made on business volume. Profit or loss on purchase and sale of foreign exchange by the Company in its capacity as Full Fledged Money Changer (FFMC) are accounted as a part of the revenue. Revenue from other income is accounted on accrual basis

1.5 Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) **Current Tax:**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any related to income tax are included in current tax expense.

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. The company offsets the current tax assets as against the liability for provision for tax.

(b) **Deferred Tax:**

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred Taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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Notes forming part of the Standalone Financial Statements ***(Continued)***

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.6 Leases

(a) Determining whether an arrangement contains a lease:

At the inception of an arrangement, it is determined the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other considerations required by such an arrangement are separated into those for the lease and those for elements on basis of the relative fair values.

(b) *Operating Lease*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the statement of profit and loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Finance Lease

Lease arrangements of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. If it is concluded for a finance lease that is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability pertaining to non - current portion is included in other long - term borrowings and the current portion is included in other financial liabilities. The finance charge is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

1.7 Impairment of Assets

(a) Financial Assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Impairment losses on investment carried at fair value through other comprehensive income are recognized by transferring the cumulative loss that has been recognized in other comprehensive income and presented in the fair value reserve in equity, to statement of profit and loss.

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(All amounts in INR , unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.7 Impairment of Assets *(Continued)*

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition costs, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit and loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income in the statement of profit and loss.

1.8 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.9 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

(a) Financial assets
The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

(i) Initial recognition and measurement
Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the statement of profit and loss, except for financial instruments carried at amortized cost, where transaction costs are adjusted in the amortized cost of the asset.

(ii) Subsequent Measurement
Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortized cost: Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortized cost using the effective interest rate ('EIR') method, less impairment, if any. Amortized 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 amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. On derecognition, gain or loss, if any, is recognised in the statement of profit and loss.

(b) Measured at fair value through other comprehensive income : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

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1 Significant Accounting Policies *(Continued)*

1.9 Financial Instruments *(Continued)*

(a) Financial assets *(Continued)*

(ii) Subsequent Measurement

(c) Measured at fair value through profit or loss: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value (except for investment in subsidiaries). Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company 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 the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Company has retained.

(b) Financial liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.

1.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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1 Significant Accounting Policies *(Continued)*

1.11 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. 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. All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the statement of profit and loss.

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. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

Depreciation methods, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, as follows:

Assets	Useful Life
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment	5 years

Leasehold improvements are amortised over the period of the lease or useful life of the asset, whichever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. 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 immediately 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 amount. These are included in the statement of profit and loss.

1.12 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(i) Computer software

Amortisation methods and periods

Asset	Useful Life
Software	3 years.

Amortization is calculated using the written down value method to allocate their cost over their estimated useful lives.

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1 Significant Accounting Policies *(Continued)*

1.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. 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 prepayment for liquidity services and amortized over the period of the facility to which it relates. Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in statement of profit and loss as finance costs.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

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 period.

1.14 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.15 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

1.16 Employee Benefits

(a) Post Employment Benefits:

(i) Defined Contribution Plans
Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(ii) Defined Benefit Plans
The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

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Notes forming part of the Standalone Financial Statements *(Continued)*
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(All amounts in INR , unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.16 Employee Benefits *(Continued)*

(a) Post Employment Benefits: *(Continued)*

(ii) Defined Benefit Plans *(Continued)*

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

In respect of certain employees, the Company has Defined Benefit Plan for Other Long-term Employee Benefit in the form of Provident Fund. Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

(b) Short-term Employee Benefit

As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

1.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

1.18 Current / Non Current Classification

All assets and liabilities are classified into current and non-current:

Assets

An asset is classified as current when it satisfies any of the following criteria:
a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within 12 months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within 12 months after the reporting date; or
d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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1 Significant Accounting Policies *(Continued)*

1.18 Current / Non Current Classification *(Continued)*

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2 Critical Accounting Estimates and Judgements:

(a) The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates and judgements are:
Recognition of deferred tax assets for carried forward unabsorbed depreciation
Estimation of Defined Benefit Obligation
Impairment of trade receivables
Useful life of property, plant & equipment.
Recognition and measurement of provision and contingencies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(b) Recent accounting pronouncement

Amendment to Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The company is evaluating the requirements of the amendment and the effect on the financial statements is not likely to be significant.

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3 Property, plant and equipment:

Particulars	Leasehold Improvements	Furniture and Fixtures	Computers	Office Equipments	Total
Gross carrying amount					
Deemed Cost as at 01 April 2016	6,524,057	556,666	894,441	1,577,359	9,552,523
Additions	-	-	872,387	1,254,812	2,127,199
Disposals/transfer	-	64,378	(185,306)	(254,542)	(375,470)
Closing gross carrying amount	**6,524,057**	**621,044**	**1,581,522**	**2,577,629**	**11,304,252**
Accumulated depreciation					
Depreciation charge during the year	1,323,666	79,229	501,377	904,996	2,809,268
Disposals	-	7,161	(175,253)	(207,377)	(375,470)
Closing accumulated depreciation	**1,323,666**	**86,390**	**326,124**	**697,619**	**2,433,799**
Net carrying amount as at 31 March, 2017	**5,200,391**	**534,654**	**1,255,398**	**1,880,010**	**8,870,454**
Gross carrying amount					
Opening as at 1 April, 2017	6,524,057	621,044	1,581,522	2,577,629	11,304,252
Additions	-	-	527,158	31,213	558,371
Disposals/transfer	(3,076,498)	(632,558)	(1,059,689)	(1,065,249)	(5,833,994)
Closing gross carrying amount	**3,447,559**	**(11,514)**	**1,048,991**	**1,543,593**	**6,028,629**
Accumulated depreciation					
Opening as at 1 April, 2017	1,323,666	86,390	326,124	697,619	2,433,799
Depreciation charge during the year	1,153,815	224,598	728,572	632,047	2,739,032
Disposals	(2,036,042)	(598,679)	(1,059,689)	(963,081)	(4,657,492)
Closing accumulated depreciation	**441,439**	**(287,691)**	**(4,993)**	**366,585**	**515,339**
Net carrying amount as at 31 March, 2018	**3,006,120**	**276,177**	**1,053,984**	**1,177,008**	**5,513,290**

***Deemed Cost as on 1 April, 2016**

Particulars	Leasehold Improvements	Furniture and Fixtures	Computers	Office Equipments	Total
Gross carrying amount as on 1 April, 2016	10,208,052	1,897,728	4,038,848	5,326,267	21,470,895
Accumulated Depreciation	3,683,995	1,341,062	3,144,407	3,748,908	11,918,372
Deemed Cost as on 1 April, 2016	**6,524,057**	**556,666**	**894,441**	**1,577,359**	**9,552,523**

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4 Intangible Assets:

Particulars	Software
Gross carrying amount	
Deemed Cost as at 1 April, 2016	3,098
Additions/(Disposals)	-
Disposals	-
Closing gross carrying amount	**3,098**
Accumulated amortisation	
Amortisation charge for the year	3,098
Disposals	-
Closing accumulated amortisation	**3,098**
Net carrying amount as at 31 March, 2017	**-**
Gross carrying amount	
Opening as at 1 April, 2017	3,098
Additions/(Disposals)	-
Disposals	
Closing gross carrying amount	**3,098**
Accumulated amortisation	
Opening as at 1 April, 2017	3,098
Amortisation charge for the year	-
Disposals	
Closing accumulated amortisation	**3,098**
Net carrying amount as at 31 March, 2018	**-**

***Deemed Cost as on 01.04.2016**

Particulars	Software
Gross carrying amount as on 1 April 2016	2,464,831
Accumulated Depreciation	2,461,733
Deemed Cost as on 1 April 2016	**3,098**

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5 Financial Assets

5 (a) Trade receivables

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Trade receivables	508,847,882	412,789,261	403,791,055
Less : Allowance for doubtful debts	(8,010,757)	(7,400,693)	(4,878,881)
Total receivables	500,837,125	405,388,568	398,912,174
Secured, considered good	-	-	-
Unsecured, considered good	500,837,125	405,388,568	398,912,174
Unsecured, considered doubtful	8,010,757	7,400,693	4,878,881
Total	508,847,882	412,789,261	403,791,055
Less : Allowance for doubtful debts	(8,010,757)	(7,400,693)	(4,878,881)
Total	500,837,125	405,388,568	398,912,174

5 (b) Cash and cash equivalents

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Balances with banks :			
In current accounts	51,814,694	79,252,386	250,751,883
Balance in EEFC accounts	740,044	2,295,095	2,748,553
Cash on hand (including foreign currencies and Notes)	37,263,555	27,026,647	34,386,078
Total	89,818,293	108,574,128	287,886,514

Note 1. The details of the Specific Bank Notes (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 are as below (as per MCA Notification G.S.R. 307 (E) dated 30th March 2017).

Particulars	SBNs	Other Denomination Notes	Total
Opening Cash in hand as on 08th November, 2016 *	4,821,000	168,774	4,989,774
(+) Permitted receipts	129,000	8,180,438	8,309,438
(-) Permitted payments	(20,500)	(6,199,593)	(6,220,093)
(-) Amounts deposited in Banks	(4,929,500)	(740,000)	(5,669,500)
Closing cash in hand as on 30th December, 2016	-	1,409,619	1,409,619

* Includes net of Cash Sales amounting Rs. 104,000/- and encashment of Rs. 52,500/- made on 8th Nov 2016 after closure of books of accounts, therefore recorded on 9th Nov 2016

5 (c) Other financial Assets

Particulars	Current 31 March, 2018	Non-current 31 March, 2018	Current 31 March, 2017	Non-current 31 March, 2017	Current 1 April, 2016	Non-current 1 April, 2016
Security Deposits	13,868,751	3,699,391	12,466,859	5,140,257	-	17,950,746
Less: Allowance for doubtful advances	-	(48,569)	-	(48,569)	-	(48,569)
Prepaid Rent Deposit		963,978		963,978		963,978
Accrued Revenue	2,614,393	-	3,278,881	-	3,761,941	-
Receivable from Related Parties	-	-	5,384,049	-	-	-
Insurance claim receivable	1,631,317	-	-	-	-	-
Loan to TCL Employees Welfare Trust	-	-	-	-	-	119,157
Total	18,114,461	4,614,800	21,129,789	6,055,666	3,761,941	18,985,312

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6 Other Non-Current Assets:

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Prepaid expenses	**27,013**	216,588	-
Gratuity Asset (Net)	**1,221,355**	-	-
Custom Deposit	**500,000**	500,000	500,000
Claim from TT Logistics and Services Limited	**11,608,279**	11,608,279	11,608,279
Total	13,356,647	12,324,867	12,108,279

7 Other Current Assets:

Particulars	31 March, 2018	31 March, 2017	1 April 2016
Advance to Suppliers			
Unsecured, considered good	**434,927**	590,526	907,006
Unsecured ,considered Doubtful	**595,751**	535,043	-
Less: Allowance for doubtful advances	**(595,751)**	(535,043)	-
Advance to Employees			
Unsecured, considered good	**13,688**	258,225	497,437
Unsecured, considered Doubtful			
Prepaid expenses	**1,993,906**	3,679,147	4,229,813
Balances with Service Tax/GST Authorities	**2,875,224**	71,271	755,838
Total	5,317,745	4,599,169	6,390,094

8 Non Current Tax Assets / Current Tax Liabilities:

Particulars	31 March, 2018	31 March, 2017	1 April 2016
Opening Balance	**28,552,212**	27,076,698	-
Less: Current Tax payable for the year	-	-	-
Add: Taxes Paid	**2,683,440**	3,821,154	-
Less: Refund received during the year	**(4,273,440)**	(2,345,640)	-
Closing Balances	**26,962,212**	28,552,212	27,076,698
Disclosed as:			
Non Current Tax Assets (as per Balance sheet)	**26,962,212**	28,552,212	27,076,698
Current Tax Liability (as per Balance sheet)	-	-	-

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8(a) Deferred Tax Assets/(Liabilities):

The balance comprises of temporary differences attributable to:

Particulars	31 March, 2018	31 Mar 2017	1 April 2016
Deferred Tax (Liabilities)			
On Fiscal Allowances on Fixed Assets			
Provision for gratuity		(12,494)	(98,069)
Provision for leave encashment	-	(607,917)	(518,129)
Less: Deferred Tax Assets			
On Fiscal Allowances on Fixed Assets	**1,964,312**	1,537,539	1,502,221
Provision for gratuity	**305,339**		
On unabsorbed depreciation/losses*	**2,194,009**	23,856,500	23,342,741
Net Deferred Tax Assets	**4,463,660**	24,773,628	24,228,764

Significant estimates-

Note: The company has not recognized deferred tax Liability/ (Asset) in past in the absence of virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

* During the year, the Company has been acquired by Thomas Cook India Limited on 30th October, 2017 from Tata Capital Limited. The name of the Company has been change from Tata Capital Forex Limited to TC Forex Services Limited w.e.f 30th October, 2017. As per Section 78 of Income Tax Act 1961 no loss incurred in any year prior to the current year in which change in shareholding has taken place shall be carried forward and set off against the income for the year, unless on 31 March 2018 , the shares of the company not less than 51% of the voting power were held by same persons who held shares of the company not less than 51% of the voting power in the prior years in which the loss was incurred. As during the year 100% voting power has been changed, hence company cannot carry forward the prevoius losses and claim the benefit.

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9 (a) Share Capital and Other Equity:

Particulars	Equity Share Capital No of Shares	Amount
AUTHORISED		
As at 01 April, 2016	**20,000,000**	**200,000,000**
Increase/(Decrease) during the period	-	-
As at 1 April,2017	**20,000,000**	**200,000,000**
Increase/(Decrease) during the period	-	-
As at 31 March, 2018	**20,000,000**	**200,000,000**

Consists of following:
20,000,000 (Previous Year 20,000,000, 1 April 2016 20,000,000) Equity Shares of Rs. 10/- each

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	Equity share capital No of Shares	Amount
As at 1 April,2016	10,433,969	104,339,690
Increase during the period	500,000	5,000,000
As at 1 April,2017	10,933,969	109,339,690
Increase during the period	911,164	9,111,640
As at 31 March, 2018	**11,845,133**	**118,451,330**

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution to preference shareholders of all preferential amounts, in proportion to their shareholding.

(iii) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	31 March 2018		31 March 2017		01 April, 2016	
	No of Shares	% of Holding	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares						
Thomas Cook India Limited & its nominees *	**11,845,133**	**100%**	-	-	-	-
Tata Capital Limited & its nominees	-	-	10,933,969	100.0%	10,433,969	100.0%

* 100% of Shares of Tata Capital Limited & its nominees were acquired by Thomas Cook India Limited by vide Share Purchase Agreement dated 30th October 2017.

(iv) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date:

None

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9 (b) Reserves and surplus

Particulars	31 March, 2018	31 March, 2017	1 April 2016
Securities Premium Account	883,829	-	-
General Reserve	1,373,413	1,373,413	1,373,413
Retained Earnings	(111,746,612)	(104,088,079)	(98,333,094)
Total	**(109,489,370)**	(102,714,666)	(96,959,681)

(i) Securities Premium Account

Particulars	31 March, 2018	31 Mar 2017	1 April 2016
Opening Balance			
Add: Fresh Issue of shares	883,829	-	-
Less: Share Issue Expense	-	-	-
Closing Balance	**883,829**	-	-

(ii) General Reserve

Particulars	31 March, 2018	31 Mar 2017	1 April 2016
Opening Balance	1,373,413	1,373,413	1,373,413
Add: Transfer during the year	-	-	-
Closing Balance	**1,373,413**	1,373,413	1,373,413

(iii) Retained Earnings

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Opening Balance	(104,088,079)	(98,333,094)	(98,333,094)
Net Loss For the period	(8,385,537)	(2,707,805)	-
Remeasurements of post-employment benefit	727,004	(3,047,180)	-
Closing Balance	**(111,746,612)**	(104,088,079)	(98,333,094)

Nature and Purpose of Reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares and towards allotment of ESOP. The reserves is utilised in accordance with the provisions of the Act.

General reserves

General reserve is used to record transfer from capital redemption reserve and debenture redemption reserve. The reserves is utilised in accordance with the provisions of the Act.

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10 Financial Liabilities:

10 (a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	31 March, 2018	31 March, 2017	1 April, 2016
Unsecured						
Inter Corporate Deposit		Payable on Demand	8.99% (Previous year 2017 : 9.46% , 2016: 9.06%)	**343,435,945**	301,500,000	350,000,000
Total				**343,435,945**	301,500,000	350,000,000

10 (b) Other Financial Liabilities

Particulars	31 March, 2018		31 March, 2017		1 April, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Current						
Liabilities against Fixed Assets	-	-	-	122,250	-	378,216
Interest payable to Related parties	-	**4,279,679**	-	2,101,733	-	-
Amount payable to Related parties	-	**2,966,178**	-	-	-	-
Total	-	**7,245,857**	-	2,223,983	-	378,216

10(c) Trade Payables

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
-Dues of micro enterprises and small enterprises	-	-	-
-Dues of creditors other than micro enterprises and small enterprises	-	-	-
(i) Acceptances	-	-	-
(ii) Other	264,772,493	234,018,902	345,762,517
Total	**264,772,493**	**234,018,902**	**345,762,517**

Note: There are no delayed payments to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Further, there are no dues to such parties which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the company. This has been relied upon by the auditors.

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11 Other Non-Current Liabilities

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Payable to TT Logistics and Services Limited	**12,749,549**	12,749,549	12,749,549
Total	**12,749,549**	12,749,549	12,749,549

12 Other Current Liabilities

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Statutory Dues	**3,822,244**	2,369,428	2,930,406
Bank Overdraft	**11,693,412**	21,699,669	32,222,232
Advance from customer	**9,363,685**	11,289,503	5,039,119
Total	**24,879,341**	35,358,600	40,191,757

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13 Employee Benefit Obligations

Particulars	31 March, 2018			31 March, 2017			01 April, 2016		
	Non-Current	Current	Total	Non-Current	Current	Total	Non-Current	Current	Total
Leave Entitlement		-	-	-	2,431,669	2,431,669	2,002,979	69,538	2,072,517
Gratuity		-	-	-	49,975	49,975	-	392,275	392,275
Employee benefits payable		2,489,428	2,489,428	-	537,151	537,151	-	5,749,793	5,749,793
Total	-	2,489,428	2,489,428	-	3,018,795	3,018,795	2,002,979	6,211,606	8,214,585

(i) Leave Obligations - Leave Entitlement

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of Rs. Nil (31March 2017 - Rs. 2,431,669, 1 April 2016 - Rs. 69,538) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	31 March, 2018	31 March, 2017	31 March, 2016
Current leave obligations expected to be settled within next 12 months	-	2,431,669	69,538

(ii) Post Employment Obligations

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution Plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year:

Particulars	31 March, 2018	31 March, 2017
Contribution to Employees State Insurance	672,444	440,357
Contribution to Labour Welfare Fund	8,550	7,270
Superannuation Contribution	272,286	447,516
Contribution to provident fund	3,042,077	3,534,709
	3,995,357	4,429,852

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13 Employee Benefit Obligations *(Continued)*

(iii) Defined contribution Plans *(Continued)*

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April,2016	**11,170,680**	**(10,778,410)**	**392,270**
Current service cost	938,680	-	938,680
Past Service Cost	-	-	-
Interest on net defined benefit liability / (a	873,510	(1,010,400)	(136,890)
Acquisition (credit)/cost	-	-	-
Total amount recognised in profit and loss	**1,812,190**	**(1,010,400)**	**801,790**
Remeasurements			
Opening amount recognized in OCI	-		
Return on plan assets, excluding amount included in interest expense/(income)	-	9,868,120	9,868,120
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	2,770	-	2,770
Experience (gains)/losses	(6,823,710)	-	(6,823,710)
Adjustmet to recognized the effect of assets ceiling	-	-	-
Total amount recognised in other comprehensive income	**(6,820,940)**	**9,868,120**	**3,047,180**
Employer contributions	-	(4,191,270)	(4,191,270)
Benefit payments	(1,036,300)	1,036,300	-
Liabilities assumed / Settled	(68,000)	68,000	-
31 March, 2017	**5,057,630**	**(5,007,660)**	**49,970**
1st April,2017	**5,057,630**	**(5,007,660)**	**49,970**
Current service cost	635,162	-	635,162
Past Serviuces Cost	-	-	-
Interest expense/(income)	340,309	(336,561)	3,748
Total amount recognised in profit and loss	**975,471**	**(336,561)**	638,910
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	202,654	(118,890)	83,764
(Gain)/loss from change in demographic assumptions	(720)	-	(720)
(Gain)/loss from change in financial assumptions	(863,537)	-	(863,537)
Experience (gains)/losses	-	-	-
Adjustmet to recognized the effect of assets ceiling	-	53,489	53,489
Total amount recognised in other comprehensive income	**(661,603)**	**(65,401)**	**(727,004)**
Employer contributions		(1,183,231)	(1,183,231)
Benefit payments	(1,758,481)	1,758,481	-
31 March, 2018	**3,613,017**	**(4,834,372)**	**(1,221,355)**

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	31 March, 2018	31 March, 2017	31 March, 2016
Present value of funded obligations	**3,613,017**	5,057,630	11,170,680
Fair value of plan assets	**(4,834,372)**	(5,007,660)	(10,778,410)
Adjustmet to recognized the effect of assets ceiling	-	-	-
Deficit of funded plan / (Surplus)	**(1,221,355)**	49,970	392,270
Unfunded plans	-	-	-
Deficit of gratuity plan	**(1,221,355)**	49,970	392,270

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13 Employee Benefit Obligations *(Continued)*

(iii) Defined contribution Plans *(Continued)*

Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	31 March, 2018	31 March, 2017	31 March, 2016
Discount rate	7.35%	7.50%	8.20%
Salary growth rate	6.00%	5.00%	7.5% for first 5 yerars and 5% thereafter

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation		
	Change in assumptions 31 March, 2018	Increase in assumptions 31 March, 2018	Decrease in assumptions 31 March, 2018
Discount rate	50 bps on DBO	(88,935)	93,097
Salary growth rate	50 bps on DBO	93,857	(90,459)

Particulars	Impact on defined benefit obligation		
	Change in assumptions 31 March, 2017	Increase in assumptions 31 March, 2017	Decrease in assumptions 31 March, 2017
Discount rate	1% on DBO	(372,210)	447,720
Salary growth rate	1% on DBO	454,730	(383,630)

Particulars	Impact on defined benefit obligation		
	Change in assumptions 1 April, 2016	Increase in assumptions 1 April, 2016	Decrease in assumptions 1 April, 2016
Discount rate	1% on DBO	(596,320)	673,710
Salary growth rate	1% on DBO	678,840	(610,260)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The major categories of plans assets for gratuity are as follows:

Particulars	Quoted	Unquoted	Total	In %
Insurer (LIC) Managed Funds - 31 March 2018	-	**4,834,372**	**4,834,372**	**100%**
Insurer (LIC) Managed Funds - 31 March 2017	-	5,007,660	5,007,660	100%
Insurer (LIC) Managed Funds - 01 April 2016	-	10,778,410	10,778,410	100%

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13 Employee Benefit Obligations *(Continued)*

(iii) Defined contribution Plans *(Continued)*

Risk Exposure for gratuity

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

a) Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.

b) Salary growth & Demographic assumptions- The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

Defined benefit liability and employer contributions for gratuity

The weighted average duration of the defined benefit obligation is 5.04 years. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March, 2018 - Post Employment Obligations	**594,423**	**557,349**	**1,543,416**	**2,904,777**	**5,599,965**
31 March, 2017 - Post Employment Obligations	1,040,350	106,820	678,660	3,237,290	5,063,120
31 March, 2016 - Post Employment Obligations	729,250	594,220	11,636,840	2,487,340	15,447,650

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14 Revenue from Operations

Particulars	31 March, 2018	31 March, 2017
Sale of Services	108,057,190	119,552,559
Other Operating Revenue	36,029,923	41,083,866
Total	**144,087,113**	160,636,425

15 Other Income

Particulars	31 March, 2018	31 March, 2017
Miscellaneous Income	6,401,690	6,057,448
Total	**6,401,690**	6,057,448

16 Employee Benefit Expense

Particulars	31 March, 2018	31 March, 2017
Salaries Wages and Bonus	62,259,509	61,065,332
Contribution to Provident and Other Funds	3,995,357	4,429,852
Gratuity	638,910	801,790
Staff Welfare Expenses	4,128,716	5,909,258
Total	**71,022,492**	72,206,232

17 Depreciation and Amortisation Expense

Particulars	31 March, 2018	31 March, 2017
Depreciation on Tangible Assets	2,739,032	2,812,366
Total	**2,739,032**	2,812,366

18 Other Expenses

Particulars	31 March, 2018	31 March, 2017
Auditor Remuneration	881,520	905,248
Rent	17,845,478	19,777,847
Electricity	1,401,391	1,853,072
Repairs to Others	2,669,808	3,604,224
Insurance	567,146	736,736
Rates and Taxes	527,010	68,215
Security Services	2,029,023	2,367,331
Travelling Expenses	9,227,474	11,085,307
Directors Sitting Fees	230,000	340,650
Commission & Brokerage	1,080,490	1,792,372
Legal and Professional Charges	4,751,404	4,541,085
IT Expenses	1,693,939	432,360
Printing and Stationery	686,789	1,124,422
Communication Expenses	2,522,079	2,525,292
Bad Debts and Advances Written Off	6,213	12,064
Provisions for doubtful debts and Advances (net off bad debt written off)	685,612	3,056,856
Written off leasehold improvements	1,124,988	-
Miscellaneous Expenses	4,020,733	3,005,768
Total	**51,951,098**	57,228,849

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(All amounts in INR , unless otherwise stated)

18 Other Expenses *(Continued)*

18 (a) Details of payments to auditors

Particulars	31 March, 2018	31 March, 2017
Payment to auditors		
As auditor:		
-Statutory Audit	**770,000**	800,000
-Reports under the provision of Income Tax Act, 1961	**100,000**	100,000
In other capacities		
-Re-imbursement of expenses	**11,520**	5,248
Total	**881,520**	905,248

19 Finance Costs

Particulars	31 March, 2018	31 March, 2017
Interest and finance charges on financial liabilities not at fair value through profit and loss	**31,198,925**	34,749,493
Other Finance Charges	**1,962,793**	2,404,738
Total	**33,161,718**	37,154,231

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20 Capital 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 shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet). Total capital is calculated as 'equity' as shown in the balance sheet plus debt.

During the periods presented, the Company's strategy has been unchanged. The gearing ratios as at the period ends were as follows:

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Debt	253,617,652	192,925,872	62,113,486
Total equity	8,961,960	6,625,024	7,380,009
Debt to equity ratio	**28.30**	**29.12**	**8.42**

[Note - Debt = Non-Current Borrowing + Current Borrowing - Cash & Cash Equivalents]

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21 Financial risk management

The Company's activities expose it to credit risk, market risk and liquidity risk.

The company' has an overall Enterprise Risk Management policy, approved by the Audit Committee of the Board of Directors. Risks are managed by the individual Business Units, or the Support Services' unit, entering into the base transactions, which give rise to the risks. The Executive Committee (comprising the Chairman & Managing Director, the Chief Financial Officer, and the Heads of the Business Units and Support Services' units) has the overall responsibility for the risk management framework and its effectiveness, with the respective Heads of Business Units/ Support Services' units, being responsible for its implementation and day-to- day monitoring.

(A) Credit Risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, analysis of historical bad debts and ageing of accounts receivable as of different reporting periods.

Analysis of Trade receivables ageing of last 3 years

	Less than 1 year	More than 1 year	Total
31 March 2018	**500,837,125**	**8,010,757**	**508,847,882**
31 March 2017	405,388,568	7,400,693	412,789,261
31 March 2016	398,912,174	4,878,881	403,791,055

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on 1 April 2016	**4,878,881**
Changes in loss allowance	2,521,812
Loss allowance on 31 March, 2017	**7,400,693**
Changes in loss allowance	610,064
Loss allowance on 31 March 2018	**8,010,757**

(B) Market risk

Market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(i) Foreign currency risk

The Company is in the business of providing money changing related services and hence transact in serveral currencies. The company is exposed to foreign exchange risk through its services. The functional currecny of the company is Indian Rupee.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at 31 Mar'18, 31 Mar'17 & 1 Apr'16 expressed in INR, are as follows

	31 March, 2018 (Amounts in INR)			
	EUR	**GBP**	**USD**	**Others**
CNY Stock	5,666,076	3,886,949	20,700,118	6,408,376
Balance in FCY Accounts	354,313	6,292	303,449	75,990
Trade Debtors	41,565,860	55,645,853	75,323,579	15,453,477
Trade payables	(38,941,893)	(53,384,146)	(64,826,208)	(15,338,587)
Net Exposure	**8,644,356**	**6,154,948**	**31,500,938**	**6,599,256**

	31 March, 2017 (Amounts in INR)			
	EUR	**GBP**	**USD**	**Others**
CNY Stock	3,249,914	3,173,831	13,636,965	6,143,691
Balance in FCY Accounts	10,190	-	2,284,905	-
Trade Debtors	44,031,856	28,747,172	47,721,239	18,431,058
Trade payables	(40,661,102)	(27,201,264)	(44,916,207)	(18,401,978)
Net Exposure	**6,630,858**	**4,719,739**	**18,726,902**	**6,172,771**

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21 Financial risk management *(Continued)*

(B) Market risk *(Continued)*

(i) Foreign currency risk *(Continued)*

(a) Foreign currency risk exposure: (Continued)

	1 April, 2016 (Amounts in INR)			
	EUR	**GBP**	**USD**	**Others**
CNY Stock	4,882,060	4,369,900	14,694,120	5,640,183
Balance in FCY Accounts	527,590	334,110	1,886,853	-
Trade Debtors	43,705,878	71,609,516	185,218,431	5,763,270
Trade payables	(39,680,586)	(66,889,972)	(170,548,945)	(5,742,579)
Net Exposure	9,434,942	9,423,554	31,250,459	5,660,874

*** There are no forward contracts entered by the company**

(b) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

	Impact on profit after tax 31 March, 2018 (Amounts in INR)		Impact on profit after tax 31 March, 2017 (Amounts in INR)	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
Effect in INR				
1% movement				
EUR	**86,444**	**(86,444)**	66,309	(66,309)
GBP	**61,549**	**(61,549)**	47,197	(47,197)
USD	**315,009**	**(315,009)**	187,269	(187,269)
Others	**65,993**	**(65,993)**	61,728	(61,728)

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21 Financial risk management (Continued)

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the company's liquidity position (comprising the unused cash and bank balances) on the basis of expected cash flows.

(i) Maturities of financial liabilities

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.

Contractual maturities of financial liabilities 31 March, 2018	< 1 year	Between 1 and 2 years	> 2 years	Total
Borrowings	343,435,945	-	-	343,435,945
Trade payables	264,772,493	-	-	264,772,493
Other financial liabilities	7,245,857	-	-	7,245,857
Total liabilities	615,454,295	-	-	615,454,295

Contractual maturities of financial liabilities 31 March, 2017	< 1 year	Between 1 and 2 years	> 2 years	Total
Borrowings	301,500,000	-	-	301,500,000
Trade payables	234,018,902	-	-	234,018,902
Other financial liabilities	2,223,983	-	-	2,223,983
Total liabilities	537,742,885	-	-	537,742,885

Contractual maturities of financial liabilities 01 April, 2016	< 1 year	Between 1 and 2 years	> 2 years	Total
Borrowings	350,000,000	-	-	350,000,000
Trade payables	345,762,517	-	-	345,762,517
Other financial liabilities	378,216	-	-	378,216
Total liabilities	696,140,733	-	-	696,140,733

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22 Fair value measurements

Financial instruments by category

31 March, 2018	FVPL	FVOCI	Amortised cost	Total	Fair value: Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Security Deposits	-	-	17,568,141	17,568,141	-	-	-	-
Trade receivable	-	-	500,837,125	500,837,125	-	-	-	-
Cash and cash equivalents	-	-	89,818,293	89,818,293	-	-	-	-
Others	-	-	18,114,461	18,114,461	-	-	-	-
Total	-	-	**626,338,020**	**626,338,020**	-	-	-	-
Financial liabilities								
Borrowings	-	-	343,435,945	343,435,945	-	-	-	-
Trade Payable	-	-	264,772,493	264,772,493	-	-	-	-
Payable to related parties	-	-	2,966,178	2,966,178	-	-	-	-
Others	-	-	7,245,857	7,245,857	-	-	-	-
Total	-	-	**618,420,473**	**618,420,473**	-	-	-	-

31 March, 2017	FVPL	FVOCI	Amortised cost	Total	Fair value: Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Security Deposits	-	-	17,607,116	17,607,116	-	-	-	-
Trade receivable	-	-	405,388,568	405,388,568	-	-	-	-
Cash and cash equivalents	-	-	108,574,128	108,574,128	-	-	-	-
Others	-	-	21,129,789	21,129,789	-	-	-	-
Total	-	-	552,699,601	552,699,601	-	-	-	-
Financial liabilities								
Borrowings	-	-	301,500,000	301,500,000	-	-	-	-
Trade Payable	-	-	234,018,902	234,018,902	-	-	-	-
Payable to related parties	-	-	-	-	-	-	-	-
Others	-	-	2,223,983	2,223,983	-	-	-	-
Total	-	-	537,742,885	537,742,885	-	-	-	-

1 April, 2016	FVPL	FVOCI	Amortised cost	Total	Fair value: Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Security Deposits	-	-	17,950,746	17,950,746	-	-	-	-
Trade receivable	-	-	398,912,174	398,912,174	-	-	-	-
Cash and cash equivalents	-	-	287,886,514	287,886,514	-	-	-	-
Others	-	-	3,761,941	3,761,941	-	-	-	-
Total	-	-	**708,511,374**	**708,511,374**	-	-	-	-
Financial liabilities								
Borrowings	-	-	350,000,000	350,000,000	-	-	-	-
Trade Payable	-	-	345,762,517	345,762,517	-	-	-	-
Payable to related parties	-	-	-	-	-	-	-	-
Others	-	-	378,216	378,216	-	-	-	-
Total	-	-	**696,140,734**	**696,140,734**	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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22 Fair value measurements *(Continued)*

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis
- the foreign exchange forward contracts are marked to market using forward FEDAI rates
- Discount rates to fair value of financial assets and liabilities at amortised cost is based on

The carrying amounts of accrued revenue, insurance claim receivable, advance to related parties, current borrowings, trade payables, trade receivable, other financial liabilities, cash and cash equivalents and other bank balances are considered to be the same as their fair values due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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23 Related Party Transactions

(a) Ultimate Holding Company

Name	Type	Place of Incorporation
TATA Sons Limited (up to 30th October, 2017)	Ultimate Holding Company	India

(b) Holding Company

The Company is controlled by the following entity:

Name	Type	Place of Incorporation
TATA Capital Limited (up to 30th October, 2017)	Holding Company	India
Thomas Cook (India) Limited (w.e.f 31 October, 2017)	Holding Company	India

(b) (i) Name of the related party and related party relationship (up to 30th October, 2017)

Name of Entity	Place of Business/country of incorporation	Relationship
TC Travel And Services Limited	India	Fellow Subsidiary Company
Tata Capital Financial Services Limited	India	Fellow Subsidiary Company
Tata Securities Limited	India	Fellow Subsidiary Company
Tata Capital Housing Finance Limited	India	Fellow Subsidiary Company
Tata Cleantech Capital Limited	India	Fellow Subsidiary Company
Tata AIG General Insurance Co Limited	India	Fellow Subsidiary Company
Tata Consulting Engineers Limited	India	Fellow Subsidiary Company
Tata Industries Limited	India	Fellow Subsidiary Company
Tata Petrodyne Limited	India	Fellow Subsidiary Company
Tata Consultancy Services Limited	India	Fellow Subsidiary Company
Tata Business Support Services Limited	India	Fellow Subsidiary Company
Tata Advanced System Limited	India	Fellow Subsidiary Company
Tata Autocomp System Limited	India	Fellow Subsidiary Company
Tata Sky Limited	India	Fellow Subsidiary Company
Infiniti Retail Limited	India	Fellow Subsidiary Company
Ardent Properties Private Limited	India	Fellow Subsidiary Company
Automotive Stampings & Assemblies Ltd	India	Fellow Subsidiary Company
CMC Limited	India	Fellow Subsidiary Company
Indian Rotorcraft Limited	India	Fellow Subsidiary Company
Impetis Biosciences Limited	India	Fellow Subsidiary Company
Nova Integrated Systems Limited	India	Fellow Subsidiary Company
Taj Air Limited	India	Fellow Subsidiary Company
Tata Sikorsky Aerospace Limited (formerly known as Tara Aerospace Systems Limited)	India	Fellow Subsidiary Company
Tata Advanced Materials Limited	India	Fellow Subsidiary Company
Tata Industrial Services Limited	India	Fellow Subsidiary Company
Tata Housing Development Company Ltd	India	Fellow Subsidiary Company
Tata Lockheed Martin Aerostructure Limited	India	Fellow Subsidiary Company
Tata Sia Airlines Limited	India	Fellow Subsidiary Company
Viom Networks Limited	India	Fellow Subsidiary Company
Tata Toyo Radiator Limited	India	Fellow Subsidiary Company
Avana Integrated Systems Limited & AGT SYSTEMS LIMITED	India	Fellow Subsidiary Company
Tata Value Homes Limited	India	Fellow Subsidiary Company
Taj Air Metrojet Aviation Limited	India	Fellow Subsidiary Company
Tata Boeing Aerospace Limited	India	Fellow Subsidiary Company
Advinus Therapeutics Limited	India	Fellow Subsidiary Company
Tata Unistore Limited	India	Fellow Subsidiary Company
TASEC LIMITED	India	Fellow Subsidiary Company
Tata Teleservices Ltd/Tata Docomo	India	Fellow Subsidiary Company
One Excelton Private Limited	India	Fellow Subsidiary Company
Tata Aia Life Insruance Company Limited	India	Fellow Subsidiary Company
Tm Automotive Seating Systems Private Limited	India	Fellow Subsidiary Company
Tata Ficosa Automotive Systems Private Limited	India	Fellow Subsidiary Company
Tata Autocomp Katcon Exhaust Systems Private Limited	India	Fellow Subsidiary Company
Tata Autocomp Gy Batteries Private Limited	India	Fellow Subsidiary Company
Air International Ttr Thermal Systems Limited	India	Fellow Subsidiary Company
Dpp Division	India	Fellow Subsidiary Company

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23 Related Party Transactions *(Contiuned)*

(b) (ii) Name of the related party and related party relationship (w.e.f. 31 October, 2017)

Name of Entity	Place of Business/country of incorporation	Relationship
Thomas Cook (India) Limited	India	Holding Company
TC Travel And Services Limited	India	Fellow Subsidiary Company

(c) Key Management personnel

Name	Designation
Mr. Dhan Tata (up to 30th Oct'17)	Chief financial Officer
Mr Brijesh Modi (w.e.f 01 November 2017)	Chief financial Officer
Mr. Tanmay Bidikar (w.e.f 01 November 2017)	Company Secretary

(d) Key Management personnel compensation

Particulars	31 March, 2018	31 March, 2017
Mr. Dhan Tata	4,937,454	9,477,340
Mr. Tanmay Bidikar	235,854	-
Total compensation	**5,173,308**	**9,477,340**

(e) (i) Transactions with related parties

Particular	Year	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Total
Finance Cost	2018	-	31,198,925	-	31,198,925
	2017	-	34,749,493	-	34,749,493
Rent & Other Expenses	2018	2,177,000	2,696,711	6,203,434	11,077,145
	2017	4,048,373	75,980	18,011,155	22,135,508
Share Capital- Investment purchase/sale:	2018	-	9,995,469	-	9,995,469
	2017	-	-	-	-
ICD Received	2018	-	650,935,945	-	650,935,945
	2017	-	342,200,000	-	342,200,000
ICD Paid	2018	-	609,000,000	-	609,000,000
	2017	-	390,700,000	-	390,700,000
Services Rendered #	2018	5,919,564	34,525,992	74,596,909	115,042,465
	2017	8,455,191	11,114,234	186,612,585	206,182,009
Services Availed	2018	-	-	1,608,064	1,608,064
	2017	-	-	3,993,954	3,993,954

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23 Related Party Transactions *(Continued)*

(e) (ii) Outstanding balances of Related Parties

Particular	Year	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Total
ICD Loan Payable	2018	-	343,435,945	-	343,435,945
	2017	-	301,500,000	-	301,500,000
ICD Interest Payable	2018	-	4,279,679	-	4,279,679
	2017	-	-	-	-
Other Financial Liabilities	2018	-	2,829,154	-	2,829,154
	2017	-	82,870	-	82,870
Travel Expenses Payable	2018	-	217,432	-	217,432
	2017	-	192,840	-	192,840
Outstanding Payable	2018	-	-	-	-
	2017	-	-	3,728,165	3,728,165
Outstanding Receivable	2018	-	-	-	-
	2017	438,892	-	157,966,605	158,405,497

(e) (iii) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	31 March, 2018	31 March, 2017
(i) Ultimate Holding Company		
Rent & Other Expenses		
Tata Sons Limited	2,177,000	4,048,373
Services Rendered		
Tata Sons Limited	5,919,564	8,455,191
(ii) Holding Company		
Thomas Cook (India) Limited		
Finance Costs		
ICD - Interest expenses		
Thomas Cook (India) Limited	12,644,803	-
Tata Capital Limited	18,554,121	34,749,493
Rent & Other Expenses		
Thomas Cook (India) Limited	2,696,711	-
Tata Capital Limited	-	75,980
Revenue		
Purchase of currency		
Thomas Cook (India) Limited	52,160,853	-
Tata Capital Limited	-	-
Sale of Currency		
Thomas Cook (India) Limited	78,173,296	-
Tata Capital Limited	8,513,549	11,114,234
Share Capital- Investment purchase/sale:		
Subscription of Equity Share Capital - Issue of shares	9,995,469	-
Current Borrowings (Transaction summary)		
Thomas Cook (India) Limited		
ICD - Loan Received	420,935,945	-
ICD - Loan repaid	77,500,000	-
Tata Capital Limited		
ICD - Loan Received	230,000,000	342,200,000
ICD - Loan repaid	531,500,000	390,700,000

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23 Related Party Transactions *(Contiuned)*

(e) (iii) Transactions with related parties *(Continued)*

Nature of transaction	31 March, 2018	31 March, 2017
(iii) Fellow subsidiaries		
Rent & Other Expenses		
TC Travel And Services Limited	-	7,632,246
Tata Capital Financial Services Limited	6,203,434	10,373,909
Tata Capital Housing Finance Limited	-	5,000
Services Rendered		
Infiniti Retail Limited	26,407	249,653
Advinus Therapeutics Limited	130,387	855,200
Air International Thermal Systems Limited	1,495,850	-
Automotive Stampings & Assemblies Ltd	-	704,263
CMC Limited	-	373,936
Dhp Division	293,397	-
Nova Integrated Systems Limited	-	65,558
One Excelton Private Limited	241,267	-
Taj Air Limited	1,263,241	909,255
Taj Air Metrojet Aviation Limited	-	300,631
TASEC LIMITED	138,729	50,415
Tata Advanced System Limited	5,731,099	13,795,391
Tata AIG General Insurance Co Limited	719,296	512,031
Tata Autocomp Gy Batteries Private Limited	342,469	-
Tata Autocomp Katcon Exhaust Systems Private Limited	142,015	-
Tata Autocomp System Limited	4,184,868	12,506,545
Tata Boeing Aerospace Limited	1,596,849	2,610,430
Tata Business Support Services Limited	6,177,506	6,242,474
Tata Capital Financial Services Limited	444,154	920,476
Tata Capital Housing Finance Limited	23,578	-
Tata Consulting Engineers Limited	34,333,214	129,068,728
Tata Ficosa Automotive Systems Private Limited	642,497	-
Tata Housing Development Company Ltd	496,958	1,061,966
Tata Industries Limited	1,246,172	1,960,185
Tata Lockheed Martin Aerostructure Limited	516,983	982,930
Tata Securities Limited	477,562	743,765
Tata Sia Airlines Limited	6,140,371	4,972,030
Tata Sikorsky Aerospace Limited (formerly known as Tara Aerospace Systems Limited)	1,086,171	1,829,582
Tata Sky Limited Tata Sons Limited	732,118	1,685,975
Tata Toyo Radiator Limited	1,629,346	2,459,976
Tata Unistore Limited	106,757	756,247
Tata Value Homes Limited	111,156	-
TC Travel And Services Limited	3,488,483	961,131
Tm Automotive Seating Systems Private Limited	150,632	-
Viom Networks Limited	179,790	-
Services Availed #		
Tata AIG General Insurance Co Limited	-	-
Tata Business Support Services Limited	-	234,702
Tata Consultancy Services Limited	-	1,681,309
Tata Teleservices Ltd/Tata Docomo	-	541,482
TC Travel And Services Limited	930,613	1,536,460

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23 Related Party Transactions *(Contiuned)*

(f) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Nature of transaction	31 March, 2018	31 March, 2017	1 April, 2016
Ultimate Holding Company	-	438,892	158,120
Tata Sons Limited			
Holding Company			
Thomas Cook (India) Limited	-	-	-
Other Financial Liabilities			
Amount Payable to related parties			
Rent Payable (Net of TDS)	2,664,459	-	-
IT expenses payable (Net of TDS)	164,696	-	-
Tata Capital Limited	-	82,870	-
Current Borrowings			
Inter Corporate Deposit (Holding Company)			
ICD - Loan payable	343,435,945	-	-
Thomas Cook (India) Limited	-	301,500,000	349,001,580
Tata Capital Limited	-	-	-
Other Financial Liabilities			
Interest Payable to related party			
ICD - Interest payable	-	-	-
Thomas Cook (India) Limited	4,279,679	-	-
Tata Capital Limited	-	-	-
Fellow subsidiaries			
TC Travel And Services Limited			
Amount Payable to related parties			
Travel Expenses payable	217,432	192,840	-
Outstanding payables (up tp 30-Oct-17)			
Tata AIG General Insurance Co Limited	-	18,166	7,093
Tata Capital Financial Services Limited	-	2,731,196	2,735,749
Tata Consultancy Services Limited	-	667,695	-
Tata Sky Limited	-	311,108	124,078

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23 Related Party Transactions *(Contiuned)*

(g) Outstanding balances

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Outstanding receivables			
Tata Capital Housing Finance Limited	-	5,000	-
Tata Capital Financial Services Limited	-	40,180	-
Tata Consultancy Services Limited	-	138,053,622	1,065,144,001
CMC Limited	-	373,936	153,777
Tata Boeing Aerospace Limited	-	137,788	-
Tata Toyo Radiator Limited	-	85,515	371,232
Tata Sia Airlines Limited	-	101,286	75,433
Tata Advanced Materials Limited	-	206	206
Tata Capital Housing Finance Limited	-	5,000	-
Tata Autocomp System Limited	-	976,358	1,151,128
Tata Advanced System Limited	-	201,103	246,676
Tata Industries Limited	-	115,321	63,565
Tata Consulting Engineers Limited	-	12,497,241	33,446,661
TC Travel And Services Limited	-	5,379,049	314,326
Tata Business Support Services Limited	-	-	1,374,751
Taj Air Limited	-	-	91,596
Viom Network	-	-	7,270

(h) Loans to/from related parties

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Loan from related party			
Tata Capital Limited (up to 30-Oct-17)			
Beginning of the year	**301,500,000**	350,000,000	230,000,000
Loan received	**230,000,000**	342,200,000	525,000,000
Loan repaid	**(531,500,000)**	(390,700,000)	(405,000,000)
Interest charged	**18,554,121**	34,749,493	30,216,614
Interest Paid (Net of TDS)	**(18,554,121)**	(32,647,760)	(30,216,614)
End of the year (Principal + Interest)	-	303,601,733	350,000,000
Thomas Cook (w.e.f 30-Oct-17)			
Beginning of the year	**370,935,945**		
Loan received	**50,000,000**		
Loan repaid	**(77,500,000)**		
Interest charged	**12,644,803**		
Interest Paid (Net of TDS)	**(8,365,123)**		
End of the year (Principal + Interest)	**347,715,625**		

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24 Earnings/(Loss) Per Share

Particulars	31 March, 2018	31 March, 2017
Net Profit for the year	(8,385,537)	(2,707,805)
Weighted average number of equity shares outstanding during the year	11,243,515	10,933,969
Basic and diluted earnings per share *	**(0.75)**	(0.25)

* Since the company does not have the diluted securities, the basic and diluted EPS are the same.

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25 First-time adoption of Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notifi ed under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP or Indian GAAP). An explanation of how the transition from Previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exemptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

(a) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

(a) Estimates

"An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments tc reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP."

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25 First-time adoption of Ind AS *(Continued)*

B. Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cashflows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Balancesheet as at date of transition ('1 April 2016)

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		9,552,523	-	9,552,523
Other intangible Assets		3,098	-	3,098
- Other financial assets	B	18,866,378	(118,934)	18,985,312
Other non-current assets		12,108,279	-	12,108,279
Non Current Tax assets		27,076,698	-	27,076,698
Total non-current assets		67,606,976	(118,934)	67,725,910
Current assets:				
Financial assets				
- Trade receivables	D	402,674,116	3,761,942	398,912,174
- Cash and cash equivalents		287,886,514	-	287,886,514
Other Financial assets	B	-	(3,761,941)	3,761,941
Other current assets	B	6,509,028	118,934	6,390,094
Total current assets		697,069,657	118,934	696,950,723
TOTAL ASSETS		764,676,633	-	764,676,633
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital		104,339,690	-	104,339,690
Reserve and surplus		(96,959,681)	-	(96,959,681)
Total Equity		7,380,009	-	7,380,009
LIABILITIES				
Non-current liabilities				
Employee Benefit Payable	C	-	(2,002,979)	2,002,979
Other non-current liabilities		12,749,549	-	12,749,549
Total non-current liabilities		12,749,549	(2,002,979)	14,752,528
Current liabilities				
Financial liabilities				
- Borrowings		350,000,000	-	350,000,000
- Trade payables	D	342,978,973	(2,783,544)	345,762,517
- Other financial liabilities	D	3,161,986	2,783,770	378,216
Provisions			-	-
Employee Benefit Payable	C	8,214,585	2,002,979	6,211,606
Current Tax Liabilities			-	-
Other current liabilities	D	40,191,531	(226)	40,191,757
Total current liabilities		744,547,075	2,002,979	742,544,096
TOTAL LIABILITIES		764,676,633	-	764,676,633

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25 First-time adoption of Ind AS *(Continued)*

B. Reconciliations between Previous GAAP and Ind AS *(Continued)*

Balancesheet as at date of transition (31 March 2017)

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		8,870,454	-	8,870,454
Other intangible Assets		-	-	-
- Other financial assets	B	24,406,574	18,350,908	6,055,666
Other non-current assets	B	11,608,279	(716,588)	12,324,867
Non Current Tax assets		28,552,212	-	28,552,212
Total non-current assets		73,437,519	17,634,320	55,803,199
Current assets:				
Financial assets				
- Trade receivables	D	408,667,449	3,278,881	405,388,568
- Cash and cash equivalents		108,574,128	-	108,574,128
- Other financial assets	D		(21,129,789)	21,129,789
Other current assets	B	4,815,757	216,588	4,599,169
Total current assets		522,057,334	(17,634,320)	539,691,654
TOTAL ASSETS		595,494,853	-	595,494,853
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital		109,339,690	-	109,339,690
Reserve and surplus		(102,714,666)	-	(102,714,666)
Total Equity		6,625,024	-	6,625,024
LIABILITIES				
Non-current liabilities				
Other non-current liabilities		12,749,549	-	12,749,549
Total non-current liabilities		12,749,549	-	12,749,549
Current liabilities				
Financial liabilities				
- Borrowings		301,500,000	-	301,500,000
- Trade payables	D	231,287,705	(2,731,197)	234,018,902
- Other financial liabilities	D	4,955,180	2,731,197	2,223,983
Provisions			-	-
Employee Benefit Payable		3,018,795	-	3,018,795
Current Tax Liabilities			-	-
Other current liabilities		35,358,600	-	35,358,600
Total current liabilities		576,120,280	-	576,120,280
TOTAL LIABILITIES		595,494,852	-	595,494,853

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25 First-time adoption of Ind AS *(Continued)*

B. Reconciliations between Previous GAAP and Ind AS *(Continued)*

Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind AS adjustments	Restated Previous GAAP
Income				
Revenue from operations	D	160,636,425	-	160,636,425
Other income	D	6,057,448	-	6,057,448
Other gains	D	-	-	-
Total income		**166,693,873**	**-**	**166,693,873**
Expenses				
Employee benefits expense	D	75,253,412	3,047,180	72,206,232
Finance Cost	D	34,749,493	(2,404,738)	37,154,231
Depreciation and amortisation expense		2,812,366	-	2,812,366
Other expenses	D	59,633,587	2,404,738	57,228,849
Total expenses		**172,448,858**	**3,047,180**	**169,401,678**
Profit before exceptional item		**(5,754,985)**	**(3,047,180)**	**(2,707,805)**
Add Exceptional items:				-
Less Exceptional items:				-
(Loss)/Profit before tax		**(5,754,985)**	**(3,047,180)**	**(2,707,805)**
Less : Tax expense				
Current tax		-	-	-
Deferred tax		-	-	-
Total tax expenses		-	-	-
(Loss)/Profit for the year (A)		**(5,754,985)**	**(3,047,180)**	**(2,707,805)**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	D	-	3,047,180	(3,047,180)
Income tax relating to items that will not be reclassified to profit or loss				
Total other comprehensive income for the year, net of taxes (B)		**-**	**3,047,180**	**(3,047,180)**
Total comprehensive income for the year (A+B)		**(5,754,985)**	**-**	**(5,754,985)**

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25 First-time adoption of Ind AS *(Continued)*

B. Reconciliations between Previous GAAP and Ind AS *(Continued)*

Impact of Ind AS adoption on the statement of cash flow for the year ended March 31, 2017

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind AS adjustments	Restated Previous GAAP
Net Cash flow from operating activities	E	(89,992,133)	10,522,564	(100,514,697)
Net Cash flow from investing activities	E	(2,361,168)	-	(2,361,168)
Net Cash flow from financing activities	E	(86,670,324)	(10,522,564)	(76,147,760)
Exchange Rate		(288,762)	-	(288,762)
Net increase/(Decrease) in cash and cash equivalents		(179,312,386)	-	(179,312,387)
Cash and cash equivalents as at April 1, 2016		287,886,514	-	287,886,514
Cash and cash equivalents as at March , 2017		108,574,127	-	108,574,127

Explanations for reconciliation of Balance Sheet and Statement of profit and Loss as previously reported under IGAAP to Ind AS :

A Deferred lease equalisation, intercompany loans and advances, prepaid expenses etc. are disclosed as a part of Other Current and Other Non-current assets as per Ind AS. As per Previous GAAP, these were disclosed as short term and long term loans and advances.

B Interest accrued on term deposits is disclosed as Financial Assets - Current in accordance with Ind AS. As per Previous GAAP, it was disclosed as "Other Current Assets".

C **Employee benefit expenses**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised as debit or credit in Other Comprehensive Income. However, this has no impact on the total comprehensive income and total equity.

D The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

E **Cash flow statement**

There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

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26 Contingent liabilities:

Contingent liabilities

There are no contingent liabilities as at 31 March 2018 (31 March 2017: Nil)

27 Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March, 2018	31 March, 2017	1 April 2016
Estimated value of contracts on capital account remaining to be executed and not provided for	621,900.0	-	-

28 Leases

Office premises are obtained on operating lease. There are no restrictions imposed by lease arrangements.

There are no subleases. There is no contingent rent recognized in statement of profit and loss.

Amount recongnised in Profit & Loss

Particulars	31 March, 2018	31 March, 2017
(a) Lease payment for the year	17,845,478	19,777,847

29 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, following are the details of dues to Micro and Small Enterprises:

Particulars	31 March, 2018	31 March, 2017
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day durimg each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

30 Segment Reporting

The Company is in the business of providing forex exchnage services to its corporate customers which is considered by management as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. The forex exchange services includes sale/purchase of foreign currency.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai-400011 India
Chartered Accountants

TC Forex Services Limited

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Notes forming part of the Standalone Financial Statements *(Continued)*
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

31 Others

Figures for the previous year have been audited by a firm of chartered accountants other than B S R & Co LLP, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by B S R & Co LLP.

32 Events occurring after the reporting period

The Company evaluated all events or transactions that occurred after March 31,2018 through August 23, 2018, the date the Company issued these standalone financial statements. During this period, the Company did not have any material recognizable subsequent events."

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Place : Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Forex Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Tanmay Bidikar
Company Secretary

TC Forex Services Limited

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Independent Auditor's Report

To The Members of
TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Report on the Audit of the Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements TC Travel Services Limited (formerly known as TC Travel And Services Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of profit and loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to the 'the financial statement').

Management's responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

B S R & Co (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability, Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011. India

Independent Auditor's Report *(Continued)*

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Auditor's responsibility *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 27 April 2017 and 27 April 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

Independent Auditor's Report *(Continued)*

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Report on other legal and regulatory requirements *(Continued)*

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements;

   ii. The Company did not have any long term contracts including derivative contracts as at the March 31, 2018 for which there were material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Annexure – A to the Independent Auditor's Report – 31 March 2018

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of the Company on the Standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has performed physical verification of certain fixed assets during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company is a service company primarily rendering services of travel and related service. Accordingly, the Company does not hold physical inventory. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loan and investments made and guarantees given by it. The Company has not granted any loan or given any guarantee or security to the parties covered under section 185 of the Companies Act, 2013 and accordingly, to this extent, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts accrued/deducted in the books of account in respect of undisputed statutory dues including Provident fund, Employee's State Insurance, Income- tax, Service tax, Goods & Service tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, duty of Custom, duty of Excise and Cess.

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Annexure – A to the Independent Auditor's Report – 31 March 2018 *(Continued)*

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income-tax, Service tax, Goods & Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) There are no dues of Income Tax and Service Tax as on 31 March 2018 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to the banks and financial institutions. The Company did not have any outstanding dues to Government or debenture holders during the year.

(ix) The term loans were applied for the purpose they were raised for the year. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanation given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
23 August 2018

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Annexure – B to the Independent Auditor's Report – 31 March 2018

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of TC Travel and Services Limited ("the Company") as at 31 March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Annexure – B to the Independent Auditor's Report – 31 March 2018 *(Continued)*

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 040270

Mumbai
23 August 2018

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Balance Sheet

as at 31 March 2018

(All amounts in INR , unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets:				
Property, plant and equipment	3	**5,915,989**	5,624,527	5,662,425
Other intangible Assets	4	**2,909,315**	-	111,582
Other intangible Assets under development		-	1,600,000	-
Financial assets				
- Other financial assets	5(c)	-	310,085	3,970,337
Non Current Tax assets	6	**25,649,909**	30,496,600	31,905,462
Deferred tax assets (net)	6(a)	-	-	-
Total non-current assets		**34,475,213**	**38,031,212**	**41,649,806**
Current assets:				
Financial assets				
- Trade receivables	5(a)	**136,808,799**	188,075,555	213,943,667
- Cash and cash equivalents	5(b)	**34,675,665**	20,365,502	15,370,075
- Other financial assets	5(c)	**30,192,233**	21,283,233	22,295,195
Other current assets	7	**20,312,312**	7,408,672	6,664,382
Total current assets		**221,989,009**	**237,132,962**	**258,273,319**
TOTAL ASSETS		**256,464,222**	**275,164,174**	**299,923,125**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	8(a)	**250,000,000**	250,000,000	250,000,000
Other equity				
Reserve and surplus	8(b)	**(238,560,573)**	(220,560,230)	(194,215,604)
Total Equity		**11,439,427**	**29,439,770**	**55,784,396**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Employee Benefit Obligations	10	**6,163,387**	-	3,454,352
Other non-current liabilities	11	**1,170,142**	2,878,000	2,152,000
Total non-current liabilities		**7,333,529**	**2,878,000**	**5,606,352**
Current liabilities				
Financial liabilities				
- Borrowings	9(a)	**111,683,826**	115,000,000	112,500,000
- Trade payables	9(c)	**106,226,875**	60,002,681	58,716,628
- Other financial liabilities	9(b)	**2,389,587**	756,854	-
Employee Benefit Payable	10	**2,002,342**	5,948,519	4,938,054
Other current liabilities	12	**15,388,636**	61,138,350	62,377,695
Total current liabilities		**237,691,266**	**242,846,404**	**238,532,377**
TOTAL LIABILITIES		**245,024,795**	**245,724,404**	**244,138,729**
TOTAL EQUITY AND LIABILITIES		**256,464,222**	**275,164,174**	**299,923,125**

Significant accounting policies and notes to standalone financial statements (1 - 31) forming integral part of the financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Place: Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Travel Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited Mumbai

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Statement of Profit And Loss
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	13	**89,374,708**	89,269,740
Other income	14	**1,483,574**	1,860,917
Total income		**90,858,282**	**91,130,657**
Expenses			
Employee benefits expense	15	**61,150,872**	63,569,681
Finance Cost	16	**11,198,211**	12,091,982
Depreciation and amortisation expense	17	**1,380,426**	683,558
Other expenses	18	**36,080,009**	40,906,132
Total expenses		**109,809,518**	**117,251,353**
Profit before exceptional item		**(18,951,236)**	**(26,120,696)**
Add Exceptional items:		-	-
(Loss) before tax		**(18,951,236)**	**(26,120,696)**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
(Loss) for the year (A)		**(18,951,236)**	**(26,120,696)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**950,893**	(223,930)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of taxes (B)		**950,893**	**(223,930)**
Total comprehensive Loss for the year (A+B)		**(18,000,343)**	**(26,344,626)**
Earnings/(Loss) per equity share (Face value of INR 10/- each)	24		
- Basic earnings/(loss) per share		**(0.76)**	(1.04)
- Diluted earnings/(loss) per share		**(0.76)**	(1.04)

Significant accounting policies and notes to standalone financial statements (1 - 31) forming integral part of the financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Place: Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Travel Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Megha P.S

Megha Sekharan
Company Secretary

TC Travel Services Limited
Mumbai

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY:

(A) Share Capital

Particulars	Equity share
Balance as at 01 April, 2016	250,000,000
Changes in share capital during the period	-
Balance as at 31 March, 2017	250,000,000
Changes in share capital during the period	-
Balance as at 31 March, 2018	**250,000,000**

(B) Other Equity

Particulars	Reserves and Surplus	
	Retained Earnings	Total Reserves and Surplus
Balance as at 01 April, 2016	(194,215,604)	(194,215,604)
Loss for the year	(26,120,696)	(26,120,696)
Other Comprehensive Income	(223,930)	(223,930)
Balance as at 31 March, 2017	(220,560,230)	(220,560,230)
Loss for the year	(18,951,236)	(18,951,236)
Other Comprehensive Income	950,893	950,893
Balance as at 31 March, 2018	(238,560,573)	(238,560,573)

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Place: Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Travel Services Limited

Mahesh Iyer
Director
(DIN 07560302)

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Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited Mumbai

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Cash Flow

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A) Cash flow from operating activities		
Profit before income tax	(18,951,236)	(26,120,696)
Adjustments for		
Liabilities Written Back	(9,991,795)	(1,513,525)
Dividend Income from Investments	(51,325)	-
Depreciation and Amortisation	1,380,426	683,558
Interest on Income Tax Refund	(847,161)	(1,315,177)
Finance Costs	9,935,676	10,541,683
Bad Debts and Advances written off	-	29,531
Provision for doubtful debts and Advances (net off bad debts written off)	2,577,012	-
Operating Profit before Working Capital changes	(15,948,403)	(17,694,626)
Change in operating assets and liabilities		
Increase/(Decrease) in Trade Payables	54,914,666	1,779,148
Increase/(Decrease) in Other Liabilities	(47,457,572)	(513,345)
Increase/(Decrease) in Employee Benefit Obligations	3,168,103	(2,667,817)
(Increase)/ Decrease in Trade Receivables	51,227,844	26,859,011
(Increase)/Decrease in Other Financial Assets	(8,909,000)	4,672,214
(Increase)/Decrease in Other Assets	(13,830,402)	(744,290)
Cash generated from operations	23,165,236	11,690,295
Income taxes paid (Net of refunds received)	5,693,852	2,724,039
Net cash inflow from operating activities	28,859,088	14,414,334
B) Cash flow from investing activities:		
Purchase of Fixed Assets	(2,981,130)	(2,134,078)
Investment in Mutual Fund	(2,042,000)	-
Redemption of Mutual Fund	2,093,325	-
Net cash outflow from investing activities	(2,929,805)	(2,134,078)
C) Cash flow from financing activities		
Loan received from holding company	227,683,824	175,000,000
Loan repaid to holding company	(231,000,000)	(172,500,000)
Finance Costs paid	(8,302,943)	(9,784,829)
Net cash inflow (outflow) from financing activities	(11,619,119)	(7,284,829)
Net increase/(decrease) in cash and cash equivalents	14,310,163	4,995,427
Add: Cash and cash equivalents at the beginning of the financial year	20,365,502	15,370,075
Cash and cash equivalents at the end of the year	34,675,665	20,365,502
Reconciliation of Cash Flow statements as per the cash flow statement	**31 March, 2018**	**31 March, 2017**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents (Refer Note 5 (b))	34,675,665	20,365,502
Bank Overdrafts	-	-
Balances as per statement of cash flows	34,675,665	20,365,502

Notes:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
2. Additions to property, plant and equipment and other intangible assets include movement of capital work in progress and payables for fixed assets during the year.

The above statement of cash flows should be read in conjunction with the accompanying notes

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Place: Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Travel Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Megha. P.S

Megha Sekharan
Company Secretary

TC Travel Services Limited Mumbai

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Standalone Financial Statements
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

General Information

TC Travel Services Limited ("TCTSL"), is a wholly owned subsidiary of TC Tours Limited ("TCTL"). The Company is primarily engaged in the business of offering ticketing and travel related services to corporate and individual travelers. Our services include air ticketing, hotel bookings, land arrangements, travel insurance, foreign exchange, visa and passport facilitation and holiday packages to suit the domestic and international markets at competitive rates. Our focus on quality of service and reliability is supplemented by our commitment to optimizing our customer's cost, comfort and convenience. During the year, TC Travel Services Limited is acquired by TC Tours Limited ("TCIL"). on 30th October, 2017. The name of the company has been changed from TC Travel And Services Limited to TC Travel Services Limited w.e.f 25th July, 2018.

The financial statements for the year ended 31 March 2018 were approved by the Board of Directors and authorised for issue on 23rd August 2018.

1 Significant Accounting Policies

1.1 Basis of preparation

(a) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March, 2018.

These financial statements for the year ended 31 March, 2018 are the first financial statement the Company has prepared under Ind AS. For all periods upto and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with the generally accepted accounting principles (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31 March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Restated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2017, April 1, 2016 and of the Statement of Comprehensive Income and Statement of Cash Flows for the year ended March 31, 2017 as provided in note 23.

(b) Historical cost convention

Standalone Financial Statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities - measured at fair value,
• defined benefit plans – defined benefit obligations less plan assets measured at fair value,

The standalone financial statements are presented in Indian Rupees "(INR)" or "(Rs.)" which is also the Company's functional currency.

1.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors, the chief executive officer and the chief financial officer have been identified as being the CODM. Refer note 29 for segment information presented.

1.3 Foreign currency translation and transactions

Foreign currency transactions are recorded into Indian rupees using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of the transactions, is charged or credited to the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates prevailing on the balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited / charged to the Statement of profit and loss. Non monetary assets are recorded at the rates prevailing on the date of the transactions. Non-monetary foreign currency items are carried at historical cost. A foreign currency monetary item is classified as long-term if it has original maturity of one year or more.

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TC Travel Services Limited Mumbai

(All amounts in INR , unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.4 Revenue Recognition

The entity provides travel products and services to leisure and corporate travellers in India and abroad. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties.

The entity recognises revenue when significant risk and rewards are transferred to the customer, the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as described below. The entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved.

Revenue on holiday packages is recognised on gross basis on the date of departure of the tour.

1.5 Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

(a) <u>Current Tax:</u>
Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any related to income tax are included in current tax expense.

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. The company offsets the current tax assets as against the liability for provision for tax.

(b) <u>Deferred Tax:</u>
Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred Taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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1 Significant Accounting Policies *(Continued)*

1.6 Leases

(a) Determining whether an arrangement contains a lease:

At the inception of an arrangement, it is determined the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other considerations required by such an arrangement are separated into those for the lease and those for elements on basis of the relative fair values.

(b) *Operating Lease*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the statement of profit and loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Finance Lease

Lease arrangements of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. If it is concluded for a finance lease that is is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability pertaining to non - current portion is included in other long - term borrowings and the current portion is included in other financial liabilities. The finance charge is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

1.7 Impairment of Assets

(a) Financial Assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Impairment losses on investment carried at fair value through other comprehensive income are recognized by transferring the cumulative loss that has been recognized in other comprehensive income and presented in the fair value reserve in equity, to statement of profit and loss.

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1 Significant Accounting Policies *(Continued)*

1.7 Impairment of Assets *(Continued)*

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition costs, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit and loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income in the statement of profit and loss.

1.8 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.9 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

(a) Financial assets

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

(i) Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the statement of profit and loss, except for financial instruments carried at amortized cost, where transaction costs are adjusted in the amortized cost of the asset.

(ii) Subsequent Measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortized cost: Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortized cost using the effective interest rate ('EIR') method, less impairment, if any. Amortized 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 amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. On derecognition, gain or loss, if any, is recognised in the statement of profit and loss.

(b) Measured at fair value through other comprehensive income : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

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1 Significant Accounting Policies *(Continued)*

1.9 Financial Instruments *(Continued)*

(a) Financial assets *(Continued)*

(ii) Subsequent Measurement

(c) Measured at fair value through profit or loss: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value (except for investment in subsidiaries). Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is establishes.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company 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 the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Company has retained.

(b) Financial liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

(ii) Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.

1.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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1 Significant Accounting Policies *(Continued)*

1.11 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. 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. All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the statement of profit and loss.

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. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

Depreciation methods, estimated useful lives and residual value:
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, as follows:

Assets	Useful Life
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Office Building	60 years

Leasehold improvements are amortised over the period of the lease or useful life of the asset, whichever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. 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 immediately 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 amount. These are included in the statement of profit and loss.

1.12 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(ii) Computer software

Amortisation methods and periods

Asset	Useful Life
Software	3 years.

Amortization is calculated using the written down value method to allocate their cost over their estimated useful lives.

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1 Significant Accounting Policies *(Continued)*

1.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. 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 prepayment for liquidity services and amortized over the period of the facility to which it relates. Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in statement of profit and loss as finance costs.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

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 period.

1.14 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1.15 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

1.16 Employee Benefits

(a) Post Employment Benefits:

(i) Defined Contribution Plans

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(ii) Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

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1 Significant Accounting Policies *(Continued)*

1.16 Employee Benefits *(Continued)*

(a) Post Employment Benefits: *(Continued)*

(ii) Defined Benefit Plans *(Continued)*

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

In respect of certain employees, the Company has Defined Benefit Plan for Other Long-term Employee Benefit in the form of Provident Fund. Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

(b) Short-term Employee Benefit

As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

1.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

1.18 Current / Non Current Classification

All assets and liabilities are classified into current and non-current:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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1 Significant Accounting Policies *(Continued)*

1.18 Current / Non Current Classification *(Continued)*

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2 Critical Accounting Estimates and Judgements:

(a) The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates and judgements are:
Recognition of deferred tax assets for carried forward unabsorbed depreciation
Estimation of Defined Benefit Obligation
Impairment of trade receivables
Useful life of property, plant & equipment.
Recognition and measurement of provision and contingencies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(b) **Recent accounting pronouncement**

Amendment to Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.
The standard permits two possible methods of transition:
• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The company is evaluating the requirements of the amendment and the effect on the financial statements is not likely to be significant.

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3 Property, plant and equipment:

Particulars	Office Building	Leasehold Improvements	Furniture and Fixtures	Computers	Office Equipment	Vehicles	Total
Gross carrying amount							
Deemed Cost as 01 April 2016*	5,118,055	142,802	64,047	336,027	1,494	-	5,662,425
Additions	-	-	-	455,851	84,177	-	540,028
Disposals/transfer	-	-	(5,950)	-	-	-	(5,950)
Closing gross carrying amount	**5,118,055**	**142,802**	**58,097**	**791,878**	**85,671**	-	**6,196,503**
Accumulated depreciation							
Depreciation charge during the year	96,182	142,802	47,068	266,266	19,658	-	571,976
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**96,182**	**142,802**	**47,068**	**266,266**	**19,658**	-	**571,976**
Net carrying amount as at 31 March, 2017	**5,021,873**	-	**11,029**	**525,612**	**66,013**	-	**5,624,527**
Gross carrying amount							
Opening as at 01 April, 2017	5,118,055	142,802	58,097	791,878	85,671	-	6,196,503
Additions	-	-	-	869,325	11,805	-	881,130
Disposals/transfer	-	-	-	-	-	-	-
Closing gross carrying amount	**5,118,055**	**142,802**	**58,097**	**1,661,203**	**97,476**	-	**7,077,633**
Accumulated depreciation							
Opening as at 01 April, 2017	96,182	142,802	47,068	266,331	19,521	-	571,904
Depreciation charge during the year	96,181	-	1,362	475,529	16,668	-	589,740
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**192,363**	**142,802**	**48,430**	**741,860**	**36,189**	-	**1,161,644**
Net carrying amount as at 31 March, 2018	**4,925,692**	-	**9,667**	**919,343**	**61,287**	-	**5,915,989**

***Deemed Cost as on 01.04.2016**

Particulars	Office Building	Leasehold Improvements	Furniture and Fixtures	Computers	Office Equipment	Vehicles	Total
Gross carrying amount as on 01.04.2016	6,590,050	1,936,015	351,796	5,080,714	611,886	46,409	14,616,870
Accumulated Depreciation	1,471,995	1,793,213	287,749	4,744,687	610,392	46,409	8,954,445
Deemed Cost as on 01.04.2016	**5,118,055**	**142,802**	**64,047**	**336,027**	**1,494**	-	**5,662,425**

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4 Intangible Assets:

Particulars	Computer Software
Gross carrying amount	
Deemed Cost as at 01 April, 2016	111,582
Additions	-
Disposals	-
Closing gross carrying amount	**111,582**
Accumulated amortisation	
Deemed Cost as at 01 April, 2016	-
Amortisation charge for the year	111,582
Disposals	-
Closing accumulated amortisation	**111,582**
Net carrying amount as at 31 March, 2017	-
Gross carrying amount	
Opening as at 01 April, 2017	-
Additions	3,700,000
Disposals	-
Closing gross carrying amount	**3,700,000**
Accumulated amortisation	
Opening as at 01 April, 2017	
Amortisation charge for the year	790,685
Disposals	-
Closing accumulated amortisation	**790,685**
Net carrying amount as at 31 March, 2018	**2,909,315**

***Deemed Cost as on 01.04.2016**

Particulars	Software
Gross carrying amount as on 01.04.2016	2,120,391
Accumulated Depreciation	2,008,809
Deemed Cost as on 01.04.2016	**111,582**

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5 Financial Assets

(a) Trade receivables

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Trade receivables	165,906,792	217,134,365	244,022,908
Less : Allowance for doubtful debts	(29,097,993)	(29,058,810)	(30,079,241)
Total receivables	**136,808,799**	**188,075,555**	**213,943,667**
Secured, considered good	-	-	-
Unsecured, considered good	136,808,799	188,075,555	22,058,224
Unsecured, considered doubtful	29,097,993	29,058,810	221,964,684
Total	**165,906,792**	**217,134,365**	**244,022,908**
Less : Allowance for doubtful debts	(29,097,993)	(29,058,810)	(30,079,241)
Total	**136,808,799**	**188,075,555**	**213,943,667**

(b) Cash and cash equivalents

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Balances with banks :			
In current accounts	34,666,553	20,248,312	15,271,301
Balance in EEFC accounts	-	13,816	-
Cheques on hand	-	103,374	78,150
Cash on hand	9,112	-	20,624
Total	**34,675,665**	**20,365,502**	**15,370,075**

Note :

The details of the Specific Bank Notes (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016 are as below (as per MCA Notification G.S.R. 307 (E) dated 30th March 2017):

PARTICULARS	SBNs	Other Denomination Notes	Total
Opening Cash in hand as on 08th November, 2016	180,000	19,199	199,199
(+) Permitted receipts	-	1,369,299	1,369,299
(-) Permitted payments	-	1,080,402	1,080,402
(-) Amounts deposited in Banks	180,000	99,450	279,450
Closing cash in hand as on 30th December, 2016	-	208,646	208,646

(c) Other financial Assets

Particulars	Non-current 31 March, 2018	Current 31 March, 2018	Non-current 31 March, 2017	Current 31 March, 2017	Non-current 01 April, 2016	Current 01 April, 2016
Security Deposits	-	1,115,837	-	3,564,740	3,564,740	-
Deposit with Airline	-	10,368,154	-	10,895,044	-	5,559,969
Accrued Revenue	-	11,773,739	-	2,823,994	-	15,254,731
Loan to ESOP Trust	-	-	-	-	95,512	-
Others	310,085	6,934,503	310,085	3,999,455	310,085	1,480,495
Less: Allowance for doubtful	(310,085)	-	-	-	-	-
Total	-	**30,192,233**	**310,085**	**21,283,233**	**3,970,337**	**22,295,195**

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6 Non Current Tax Assets / Current Tax Liabilities:

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Opening Balance	**30,496,600**	31,905,462	24,064,229
Less: Current Tax payable for the year	-	-	-
Add: Taxes Paid	**4,535,771**	8,391,319	7,841,233
Less: Refund Received	**(9,382,462)**	(9,800,181)	-
Closing Balances	**25,649,909**	**30,496,600**	**31,905,462**
Disclosed as:			
Non Current Tax Assets (as per Balance sheet)	**25,649,909**	30,496,600	31,905,462
Current Tax Liability (as per Balance sheet)	-	-	-

6 (a) Deferred Tax Assets/(Liabilities):

The balance comprises of temporary differences attributable to:

Particulars	31 March, 2018	31 March, 2017	1 April, 2016
Deferred Tax (Liabilities)			
Provision for gratuity	**(1,540,847)**	155,900	(206,023)
Provision for leave encashment	**(32,730)**	(510,545)	(492,998)
Less: Deferred Tax Assets			
On difference between book balance and tax balance of fixed assets	**2,304,743**	3,416,635	4,696,220
On unabsorbed depreciation / Loss*	**5,188,034**	30,206,774	26,547,333
	-	-	-
Net Deferred Tax Assets	**5,919,200**	**33,268,764**	**30,544,532**

Significant estimates-

Note: The company has not recognized deferred tax Liability/ (Asset) in past in the absence of virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

* During the year, TC Travel Services Limited is acquired by TC Tours Limited ("TCTL"). on 30th October, 2017. As per Section 78 of Income Tax Act 1961 no loss incurred in any year prior to the current year in which change in shareholding has taken place shall be carried forward and set off against the income for the year, unless on 31 March 2018 , the shares of the company not less than 51% of the voting power were held by same persons who held shares of the company not less than 51% of the voting power in the prior years in which the loss was incurred. As during the year 100% voting power has been changed, company cannot carried forward the previous losses and claim the benefit.

7 Other Current Assets:

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Advance to Suppliers			
Unsecured, considered good	**16,328,803**	3,119,745	3,756,907
Unsecured ,considered Doubtful	**783,447**	-	-
Less: Allowance for doubtful advances	**(783,447)**	-	-
Advance to Employees			
Unsecured, considered good	**522,836**	1,033,732	390,910
Unsecured, considered Doubtful	-	-	-
Less: Allowance for doubtful advances	-	-	-
Prepaid expenses	**1,946,600**	3,104,057	2,389,795
Balances receivable from Govt Authorities	**1,514,073**	151,138	126,770
Total	**20,312,312**	**7,408,672**	**6,664,382**

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8 (a) Share Capital and Other Equity:

Particulars	31 March, 2018	
	No of Shares	Amount
AUTHORISED		
As at 01 April, 2016	25,000,000	250,000,000
Increase/(Decrease) during the period	-	-
As at 01 April, 2017	25,000,000	250,000,000
Increase/(Decrease) during the period	-	-
As at 31 March, 2018	**25,000,000**	**250,000,000**

Consists of following:
25,000,000 (Previous Year 25,000,000) Equity Shares of Rs. 10/- each

(i) Movement in Equity Share Capital and other capital during the Year

Particulars	31 March, 2018	
		Equity share capital
	No of Shares	Amount
As at 01 April, 2016	25,000,000	250,000,000
Increase/(Decrease) during the period	-	-
As at 01 April, 2017	25,000,000	250,000,000
Increase/(Decrease) during the period	-	-
As at 31 March, 2018	**25,000,000**	**250,000,000**

(ii) Terms and rights attached to shares

a) The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Also each shareholder has right to receive dividend as and when declared by the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

(iii) Shares of the company held by the Subsidiaries of the ultimate holding company

Particulars	31 March, 2018		31 March, 2017		01 April, 2016	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Equity Shares						
TC Tours Limited (w.e.f. 31st October, 2017)	25,000,000	250,000,000	-	-	-	-
	25,000,000	**250,000,000**	-	-	-	-

(iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	31 March, 2018		31 March, 2017		01 April, 2016	
	No of Shares	% of Holding	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares						
TATA Capital Limited and its nominees	-	-	25,000,000	100%	25,000,000	100%
TC Tours Limited and its nominees	25,000,000	100%	-	-	-	-

(v) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

None

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8 (b) Reserves and surplus

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Retained Earnings	(238,560,573)	(220,560,230)	(194,215,604)
Total	**(238,560,573)**	**(220,560,230)**	**(194,215,604)**

(i) Retained Earnings

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Opening Balance	(220,560,230)	(194,714,923)	(57,914,145)
Net loss For the period	(18,951,236)	(26,120,696)	(136,800,778)
Other Comprehensive Income/(loss), net of tax	950,893	(223,930)	-
Closing Balance	**(238,560,573)**	**(221,059,549)**	**(194,714,923)**

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9 Financial Liabilities:

(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	31 March, 2018	31 March, 2017	01 April, 2016
Unsecured						
Inter Corporate Deposit (From Holding Company)	Payable on Demand		8.95% (Previous year: 2017 - 8.55% , 2016 - 8.69%	111,683,826	115,000,000	112,500,000
Total				111,683,826	115,000,000	112,500,000
Current Borrowings (As per Balance Sheet)				111,683,826	115,000,000	112,500,000

(b) Other Financial Liabilities

Particulars	31 March, 2018		31 March, 2017		01 April, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Current						
Interest payable to Related parties	-	2,389,587	-	756,854	-	-
Total	-	2,389,587	-	756,854	-	-

(c) Trade Payables

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
-Dues of micro enterprises and small enterprises			
-Dues of creditors other than micro enterprises and small enterprises			
(i) Acceptances	-	-	-
(ii) Other *	106,226,875	60,002,681	58,716,628
Total	106,226,875	60,002,681	58,716,628

*Note: There are no delayed payments to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Further, there are no dues to such parties which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the company. This has been relied upon by the auditors.

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10 Employee Benefit Obligations

Particulars	31 March, 2018		31 March, 2017		01 April, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Leave Entitlement	-	130,921	-	2,042,181	1,855,951	116,042
Gratuity	6,163,387	-	-	-	824,091	-
Employee benefits payable	-	1,871,421	-	2,856,628	-	4,822,012
Long Term Service Awards	-	-	-	1,049,710	774,310	-
Total	6,163,387	2,002,342	-	5,948,519	3,454,352	4,938,054

(i) Leave Obligations - Leave Entitlement

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of Rs. 130,921/- (Previous Period - Rs. 2,042,181/-) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Current leave obligations expected to be settled within next 12 months	130,921	2,042,181	116,042

(ii) Post Employment Obligations

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution Plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year:

Particulars	31 March, 2018	31 March, 2017
Contribution to Employees State Insurance	170,796	58,501
Contribution to Labour Welfare Fund	3,565	2,370
Contribution to provident fund	2,555,308	2,628,160
	2,729,669	2,689,031

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April, 2016	**6,474,030**	**5,649,930**	**824,100**
Current service cost	1,024,340	-	1,024,340
Past Service Cost	-	-	-
Interest expense/(income)	503,500	547,450	(43,950)
Acquisitions (credit) / cost	68,000	68,000	-
Total amount recognised in profit and loss	**1,595,840**	**615,450**	**980,390**
Remeasurements			
Opening amount recognized in OCI outside Profit and Loss account			
Return on plan assets, excluding amount included in interest expense/(income)	-	241,970	(241,970)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(501,040)	-	(501,040)
Adjustment to recognized the effect of assets ceiling	-	-	-
Experience (gains)/losses	966,940	-	966,940
Total amount recognised in other comprehensive income	**465,900**	**241,970**	**223,930**

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10 Employee Benefit Obligations *(Continued)*

(iii) Defined contribution Plans *(Continued)*

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Employer contributions	-	1,984,550	-
Benefit payments	(667,460)	-	-
31 March, 2017	**7,868,310**	**8,491,900**	**(623,590)**
Current service cost	838,980		838,980
Interest expense/(income)	571,730	618,499	(46,769)
Total amount recognised in profit and loss	**1,410,710**	**618,499**	**792,211**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)		(618,499)	618,499
(Gain)/loss from change in demographic assumptions	222,873	-	222,873
(Gain)/loss from change in financial assumptions	494,760	-	494,760
Experience (gains)/losses	(2,287,023)	-	(2,287,023)
Adjustment to recognized the effect of assets ceiling	-	-	-
Total amount recognised in other comprehensive income	**(1,569,390)**	**(618,499)**	**(950,891)**
Employer contributions	-	(6,945,657)	6,945,657
Benefit payments	(796,243)	(796,243)	-
31st March, 2018	**6,913,387**	**750,000**	**6,163,387**

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Present value of funded obligations	6,913,387	7,868,300	6,474,021
Fair value of plan assets	750,000	8,491,900	5,649,930
Deficit of funded plan	**6,163,387**	**(623,600)**	**824,091**
Unfunded plans	-	-	-
Deficit of gratuity plan	**6,163,387**	**(623,600)**	**824,091**

Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Discount rate	7.35%	7.50%	8.20%
Salary growth rate	6.00%	4.50%	5.00%

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 bps basis points.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars			Impact on defined benefit obligation			
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
Discount rate	Impact of Increase in 50 bps on DBO	Impact of Increase in 50 bps on DBO	-153.83	-784.35	160.91	931.72
Salary growth rate	Impact of Decrease in 50 bps on DBO	Impact of Decrease in 50 bps on DBO	162.23	951.03	-156.47	-812.07

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

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10 Employee Benefit Obligations *(Continued)*

The major categories of plans assets for gratuity are as follows:

Particulars	31 March, 2018				31 March, 2017				01 April, 2016			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Insurer (LIC) Managed Funds	-	750,000	750,000	100%	-	-	-	-	-	-	-	-
Tata Welfare Trust- 31 March 2017	-	-	-	-	-	8,491,900	8,491,900	100%	-	5,649,930	5,649,930	100%

Risk Exposure for gratuity

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

a) Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.

b) Salary growth & Demographic assumptions- The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

Defined benefit liability and employer contributions for gratuity

The weighted average duration of the defined benefit obligation is 4.55 years. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
01 April, 2016 - Post Employment Obligations	606,170	401,680	2,263,080	5,097,920	8,368,850
31 March, 2017 - Post Employment Obligations	490,490	204,170	2,360,450	5,488,950	8,544,060
31 March, 2018 - Post Employment Obligations	1,752,765	1,273,120	2,406,395	4,891,853	10,324,133

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11 Other Non-Current Liabilities

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Income Received In Advance	1,170,142	2,878,000	2,152,000
Total	**1,170,142**	**2,878,000**	**2,152,000**

12 Other Current Liabilities

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Income Received in Advance	-	7,925,285	1,017,478
Advance receipts from Customers for which value is still to be given	9,594,882	22,310,492	14,669,196
Statutory Dues	2,902,697	1,492,649	1,291,893
Payable to Related Party	2,891,057	29,409,924	45,399,128
Total	**15,388,636**	**61,138,350**	**62,377,695**

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13 Revenue from Operations

Particulars	31 March, 2018	31 March, 2017
Sale of Services	75,448,930	87,102,829
Other Operating Revenue	13,925,778	2,166,911
Total	89,374,708	89,269,740

14 Other Income and other gains/(losses)
Other Income

Particulars	31 March, 2018	31 March, 2017
Dividend Income		
-From Mutual Fund Investments	51,325	-
Exchange Rate Fluctuation	447,120	350,916
Interest on Income Tax Refund	847,161	1,315,177
Miscellaneous Income	137,968	194,824
Total	1,483,574	1,860,917

15 Employee Benefit Expense

Particulars	31 March, 2018	31 March, 2017
Salaries Wages and Bonus	54,597,287	56,006,905
Contribution to Provident and Other Funds	2,729,669	2,689,031
Gratuity	792,223	980,390
Staff Welfare Expenses	2,947,883	3,828,507
Staff Training, Recruitment and Other Costs	83,810	64,848
Total	61,150,872	63,569,681

16 Finance Costs

Particulars	31 March, 2018	31 March, 2017
Interest and finance charges on financial liabilities measurred at amortized cost	9,935,676	10,541,683
Other Finance Charges	1,262,535	1,550,299
Total	11,198,211	12,091,982

17 Depreciation and Amortisation Expense

Particulars	31 March, 2018	31 March, 2017
Depreciation on Tangible Assets	589,740	571,977
Amortisation on Intangible Assets	790,686	111,581
Total	1,380,426	683,558

18 Other Expenses

Particulars	31 March, 2018	31 March, 2017
Audit Fees	892,808	935,268
Rent	15,409,301	18,828,045
Repairs to Others	35,232	28,934
Insurance	30,000	86,678
Rates and Taxes	249,277	515,446
Travelling Expenses	2,575,037	3,020,591
Directors Sitting Fees	335,304	406,484
Legal and Professional Charges	6,231,788	9,112,038
Outsource Manpower Cost	2,111,193	2,647,250
IT Expenses	2,145,186	2,907,947
Printing and Stationery	647,577	830,969
Communication Expenses	619,542	747,909
Bad Debts and Advances Written Off	-	29,531
Provisions for doubtful debts and Advances	2,577,012	-
Miscellaneous Expenses	2,220,752	809,042
Total	36,080,009	40,906,132

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18 Other Expenses *(Continued)*

18 (a) Details of payments to auditors

Particulars	31 March, 2018	31 March, 2017
Payment to auditors		
As auditor:		
-Statutory Audit	**800,000**	800,000
-Reports under the provision of Income Tax Act, 1961	**80,000**	100,000
In other capacities		
-Re-imbursement of expenses	**12,808**	35,268
Total payments to auditors	**892,808**	**935,268**

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19 Capital 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 shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet). Total capital is calculated as 'equity' as shown in the balance sheet plus debt.

During the periods presented, the Company's strategy has been unchanged. The gearing ratios as at the period ends were as follows:

	31 March, 2018	31 March, 2017	1-Apr-16
Debt	77,008,161	94,634,498	97,129,925
Total equity	11,439,427	29,439,770	55,784,396
Debt to equity ratio	6.73	3.21	1.74

[Note - Debt = Non-Current Borrowing + Current Borrowing - Cash & Cash Equivalents]

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20 Financial risk management

The Company's activities expose it to credit risk, market risk and liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

(A) Credit Risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, analysis of historical bad debts and ageing of accounts receivable as of different reporting periods.

Analysis of Trade receivables ageing of last 3 years

	Less than 1 year	More than 1 year	Total
31 March 2018	138,600,963	27,715,151	166,316,114
31 March 2017	190,340,383	26,793,982	217,134,365
31 March 2016	27,767,532	216,255,376	244,022,908

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss Allowance as on 01 April 2016	(30,079,240)
Changes in loss allowance	1,020,430
Loss allowance on 31 March, 2017	(29,058,810)
Changes in loss allowance	(39,183)
Loss allowance on 31 March 2018	**(29,097,993)**

(B) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk . Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(i) Currency risk

The Company is not exposed to currency risk on account of its trade receivable/ payable from foreign customers/vendors in any foreign currency. The functional currency of the Company is Indian Rupee.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements.

(i) Maturities of financial liabilities

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.

Contractual maturities of financial liabilities 31st March, 2018	< 1 year	Between 1 and 2 years	> 2 years	Total
Borrowings	111,683,826	-	-	111,683,826
Trade payables	106,226,875	-	-	106,226,875
Other financial liabilities	2,389,587	-	-	2,389,587
Total liabilities	**220,300,288**	-	-	**220,300,288**
Contractual maturities of financial liabilities 31 March, 2017	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
Borrowings	115,000,000	-	-	115,000,000
Trade payables	60,002,681	-	-	60,002,681
Other financial liabilities	756,854	-	-	756,854
Total liabilities	**175,759,535**	-	-	**175,759,535**
Contractual maturities of financial liabilities 1 April, 2016	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
Borrowings	112,500,000	-	-	112,500,000
Trade payables	58,716,628	-	-	58,716,628
Other financial liabilities	-	-	-	-
Total liabilities	**171,216,628**	-	-	**171,216,628**

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21 Fair value measurements

(i) Financial instruments by category

31 March, 2018	Carrying amount				Fair value			
	FVPL	FVOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Trade receivable	-	-	136,808,799	136,808,799	-	-	-	-
Cash and cash equivalents	-	-	34,675,665	34,675,665	-	-	-	-
Others	-	-	21,283,233	21,283,233	-	-	-	-
Total financial assets	-	-	192,767,697	192,767,697				-
Financial liabilities								-
Borrowings	-	-	111,683,826	111,683,826	-	-	-	-
Trade Payable	-	-	106,226,875	106,226,875	-	-	-	-
Payable to related parties	-	-	2,891,057	2,891,057	-	-	-	-
Others	-	-	2,389,587	2,389,587	-	-	-	-
Total financial liabilities	-	-	223,191,345	223,191,345	-	-	-	-

31 March, 2017	Carrying amount				Fair value			
	FVPL	FVOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Trade receivable	-	-	188,075,555	188,075,555	-	-	-	-
Cash and cash equivalents	-	-	20,365,502	20,365,502	-	-	-	-
Others	-	-	21,283,233	21,283,233	-	-	-	-
Total financial assets	-	-	229,724,290	229,724,290	-	-	-	-
Financial liabilities								-
Borrowings	-	-	115,000,000	115,000,000	-	-	-	-
Trade Payable	-	-	60,002,681	60,002,681	-	-	-	-
Payable to related parties	-	-	29,409,924	29,409,924	-	-	-	-
Others	-	-	756,854	756,854	-	-	-	-
Total financial liabilities	-	-	205,169,459	205,169,459	-	-	-	-

01 April, 2016	Carrying amount				Fair value			
	FVPL	FVOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Trade receivable	-	-	213,943,667	213,943,667	-	-	-	-
Cash and cash equivalents	-	-	15,370,075	15,370,075	-	-	-	-
Others	-	-	22,295,195	22,295,195	-	-	-	-
Total financial assets	-	-	251,608,937	251,608,937	-	-	-	-
Financial liabilities								-
Borrowings	-	-	112,500,000	112,500,000	-	-	-	-
Trade Payable	-	-	58,716,628	58,716,628	-	-	-	-
Payable to related parties	-	-	45,399,128	45,399,128	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	216,615,756	216,615,756	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(ii) Fair value of financial assets and liabilities measured at amortised cost

	Carrying amount	Fair value
Financial assets		
Security Deposits	1,115,837	-
Financial liabilities		
Non current Borrowings	-	-

The carrying amounts of accrued revenue, insurance claim receivable, advance to related parties, current borrowings, trade payables, trade receivable, other financial liabilities, cash and cash equivalents and other bank balances are considered to be the same as their fair values due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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22 Related Party Transactions

(a) Ultimate Holding Company

Name	Type	Place of Incorporation
TATA Sons Limited (up to 30th October, 2017)	Ultimate Holding Company	India
Thomas Cook (India) Limited (w.e.f. 31st October, 2017)	Ultimate Holding Company	India

(b) Holding Company

The Company is controlled by the following entity:

Name	Type	Place of Incorporation
TATA Capital Limited (up to 30th October, 2017)	Holding Company	India
TC Tours Limited (w.e.f. 31st October, 2017)	Holding Company	India

(i) Name of the related party and related party relationship (up to 30th October, 2017)

Name of Entity	Place of Business/country of incorporation	Relationship
Tata Sons Limited	India	Ultimate Holding Company
Tata Capital Limited	India	Holding Company
Tata Capital Financial Services Limited	India	Fellow Subsidiary Company
Tata Securities Limited	India	Fellow Subsidiary Company
Tata Capital Housing Finance Limited	India	Fellow Subsidiary Company
Tata Capital Forex limited	India	Fellow Subsidiary Company
Tata Cleantech Capital Limited	India	Fellow Subsidiary Company
Infiniti Retail Limited	India	Fellow Subsidiary Company
Tata Consultancy Services Limited	India	Fellow Subsidiary Company
Tata AIG General Insurance Company Limited	India	Fellow Subsidiary Company
Tata Investment Corporation Limited	India	Fellow Subsidiary Company
Tata AIA Life Insurance Company Limited (Formerly known as Tata AIG Life Insurance Company Limited)	India	Fellow Subsidiary Company
Tata Asset Management Limited	India	Fellow Subsidiary Company
Tata Business Support Services Limited	India	Fellow Subsidiary Company
Tata Petrodyne Limited	India	Fellow Subsidiary Company
Tata Industries Limited	India	Fellow Subsidiary Company
Tata International Limited	India	Fellow Subsidiary Company
Tata Advanced Materials Limited	India	Fellow Subsidiary Company
Tata Realty and Infrastructure Limited	India	Fellow Subsidiary Company
Tata SIA Airlines Limited	India	Fellow Subsidiary Company
Indian Rotocraft Limited	India	Fellow Subsidiary Company
TRIL Constructions Limited	India	Fellow Subsidiary Company
TRIL Roads Private Limited	India	Fellow Subsidiary Company
Tata Autocomp Systems Limited	India	Fellow Subsidiary Company
Tata Industrial Services Limited	India	Fellow Subsidiary Company
Tata Teleservices Limited	India	Fellow Subsidiary Company
Acme Living Solutions Private Limited	India	Fellow Subsidiary Company
Taj Air Metrojet Aviation Limited	India	Fellow Subsidiary Company
Automotive Stampings and Assemblies Limited	India	Fellow Subsidiary Company
Tata Toyo Radiator Limited	India	Fellow Subsidiary Company
TRIF Amritsar Projects Limited	India	Fellow Subsidiary Company
Peepul Tree Properties Limited	India	Fellow Subsidiary Company
THDC Management Services Limited (formerly THDC Facility Management Limited)	India	Fellow Subsidiary Company
TRIL Infopark Limited	India	Fellow Subsidiary Company
TRIF Real Estate And Development Limited	India	Fellow Subsidiary Company
TRIF Kochi Project Private Limited	India	Fellow Subsidiary Company
Hampi Expressways Private Limited	India	Fellow Subsidiary Company
Dharamshala Ropeway Limited	India	Fellow Subsidiary Company
Tata Consulting Engineers Limited	India	Fellow Subsidiary Company
Gurgaon Realtech Limited	India	Fellow Subsidiary Company
Manali Ropeways Limited	India	Fellow Subsidiary Company
Tata Unistore Limited	India	Fellow Subsidiary Company
Nishkalp Infrastructure Services Limited	India	Fellow Subsidiary Company
Qubit Investment Private. Limited	India	Fellow Subsidiary Company
International Infrabuild Private. Limited	India	Fellow Subsidiary Company
MIKADO Realtors Private. Limited	India	Fellow Subsidiary Company
APEX	India	Fellow Subsidiary Company
Ewart Investments Limited	India	Fellow Subsidiary Company
TRIF Amritsar Projects Private Limited	India	Fellow Subsidiary Company
TRIL IT4 Private. Limited	India	Fellow Subsidiary Company
Matheran Rope-Way Private. Limited	India	Fellow Subsidiary Company
TRIF Real Estate And Development Private Limited	India	Fellow Subsidiary Company
Taj Air Limited	India	Fellow Subsidiary Company
TRIL Urban Transports Private Limited	India	Fellow Subsidiary Company

(ii) Name of the related party and related party relationship (w.e.f. 31st October, 2017)

Name of Entity	Place of Business/country of incorporation	Relationship
Thomas Cook (India) Limited	India	Ultimate Holding Company
TC Tours Limited	India	Holding Company

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22 Related Party Transactions *(Continued)*

(c) Key Management personnel

Subash Mohanty :- Chief Financial Officer (upto 30 October 2017)
Brijesh Modi - Chief Financial Officer (w.e.f 18 April 2018)
Megha Sekharan :- Company Secretory (w.e.f 01 September, 2017)

(d) (i) Key Management personnel compensation

Particulars	March 2018	March 2017
Megha Sekharan (w.e.f 01st September, 2017)	1,260,383	-
Subash Mohanty (upto 30 October 2017)	1,084,185	1,614,000

(e) (i) Related Parties with whom transactions have taken place during the year

Particular	Year	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Total
Finance Costs	2018	-	9,935,676	-	9,935,676
	2017	-	*10,541,683*	-	*10,541,683*
Rent paid	2018	7,954,664	-	4,616,673	12,571,337
	2017	*6,780,000*	*59,459*	*22,049,730*	*28,889,189*
ICD Received	2018	-	227,683,826	-	227,683,826
	2017	-	*175,000,000*	-	*175,000,000*
ICD Paid	2018	-	231,000,000	-	231,000,000
	2017	-	*172,500,000*	-	*172,500,000*
Services Rendered	2018	47,807,274	21,315,329	199,220,227	268,342,831
	2017	-	-	486,587,277	486,587,277
Incentive Received	2018	-	-	145,546	145,546
	2017	-	-	-	-
Services Availed	2018	-	-	31,786,591	31,786,591
	2017	-	-	(597,898)	(597,898)
Corporate Gurantee Fees	2018	101,781	-	-	101,781
	2017	-	-	-	-

(ii) Related Parties Balances Outstanding

Particular	Year	Ultimate Holding	Holding Company	Fellow subsidiaries	Total
Deposit Receivable	2018	-	-	-	-
	2017	3,390,000		(16,856)	3,373,144
Outstanding payable	2018	2,891,057			2,891,057
	2017	-	-	-	-
Loan Payable	2018		111,683,826		111,683,826
	2017		115,000,000		115,000,000
ICD Interest Payable	2018		2,389,587		2,389,587
	2017		756,854		756,854
Trade Receivable	2018			172,732	172,732
	2017	10,908,725	739,659	44,732,091	56,380,475

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22 Related Party Transactions *(Continued)*

(e) (iii) **Transactions with related parties**

The following transactions occurred with related parties:

Nature of transaction	31 March, 2018	31 March, 2017
(i) Ultimate Holding Company		
Rent Paid		
Thomas Cook (India) Limited	2,799,830	-
Tata Sons Limited	5,154,834	6,780,000
Services Rendered		
Tata Sons Limited	47,807,274	80,101,416
(ii) Holding Company		
Finance Costs		
TATA Capital Limited	5,475,317	10,541,683
TC Tours Limited	4,460,359	-
Services Rendered		
Tata Capital Limited	21,315,329	30,582,620
Current Borrowings (Transaction summary)		
TATA Capital Limited		
ICD - Loan Received	87,500,000	175,000,000
ICD - Loan repaid	202,500,000	172,500,000
TC Tours Limited		
ICD - Loan Received	140,183,826	-
ICD - Loan repaid	28,500,000	-
Rent Paid		
Tata Capital Limited	-	59,459
(ii) Fellow subsidiary		
Rent Paid		
Tata Capital Financial Services Limited	4,134,387	8,887,651
Tata Capital Forex limited	482,286	13,162,079
Services Rendered		
APEX	169,990	-
Automotive Stampings and Assemblies Limited	-	1,026,672
Dharamshala Ropeway Limited	622,208	1,266,013
Ewart Investments Limited	47,399	-
Gurgaon Realtech Limited	997,034	148,380
Hampi Expressways Private Limited	-	1,892,936
Indian Rotocraft Limited	83,670	393,814
Infiniti Retail Limited	1,946,310	10,510,564
International Infrabuild Private Limited	454,188	734,479
Inshaallah Investments Limited	24,604	-
Manali Ropeways Limited	182,563	396,898
MATHERAN ROPE-WAY Private Limited	20,014	-
MIKADO Realtors Private Limited	63,168	160,323
Nishkalp Infrastructure Services Limited	-	19,910
Qubit Investment Private Limited	1,888,237	241,553
Taj Air Limited	3,098,609	-
Taj Air Metrojet Aviation Limited	-	427,321
Tata Capital Housing Finance Limited	7,501,686	8,331,574
Tata Advanced Materials Limited	4,336,385	12,091,977
Tata AIG General Insurance Company Limited	29,560,005	34,618,112
Tata Asset Management Limited	3,448,028	2,076,458
Tata Autocomp Systems Limited	16,483,293	43,690,118
Tata Business Support Services Limited	5,538,441	22,956,920
Tata Capital Financial Services Limited	42,219,157	82,359,260
Tata Capital Forex limited	930,613	1,536,460
Tata Cleantech Capital Limited	3,297,634	2,508,084
Tata Consultancy Services Limited	49,168,877	190,956,270
Tata Consulting Engineers Limited	5,906,364	18,987,310
Tata Industrial Services Limited	-	4,332,205
Tata Industries Limited	3,265,336	6,369,877
Tata International Limited	693,082	1,385,330
Tata Petrodyne Limited		
Tata Realty and Infrastructure Limited	5,526,306	16,281,184
Tata Securities Limited	1,793,897	3,041,694

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TC Travel Services Limited Mumbai

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Notes forming part of the Standalone Financial Statements *(Continued)*

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

22 Related Party Transactions *(Continued)*

(e) (iii) **Transactions with related parties**

The following transactions occurred with related parties:

Nature of transaction	31 March, 2018	31 March, 2017
(ii) Fellow subsidiary *(Continued)*		
Tata Teleservices Limited	**165,129**	2,477,442
Tata Toyo Radiator Limited	**4,233,786**	7,112,955
Tata Unistore Limited	-	21,228
THDC Management Services Limited (formerly THDC Facility Management Limited)	**11,859**	-
TRIF Amritsar Projects Limited	**309,873**	1,658,439
TRIF Amritsar Projects Private Limited	**934,972**	-
TRIF Kochi Project Private Limited	**137,715**	320,054
TRIF Real Estate And Development Limited	-	1,769,701
TRIF Real Estate And Development Private Limited	**1,333,324**	-
TRIL Constructions Limited	**554,934**	654,171
TRIL Infopark Limited	**477,605**	494,877
TRIL IT4 Private Limited	**64,008**	-
TRIL Roads Private Limited	**1,642,343**	3,336,713
TRIL Urban Transports Private Limited	**87,582**	-
Incentive received		
Tata SIA Airlines Limited	**145,546**	-
Share Service cost recovered		
TC Forex Services Limited (Formerly known as TATA Capital Forex Ltd.)	-	811,654
Services Availed		
TC Forex Services Limited (Formerly known as TATA Capital Forex Ltd.)	**116,459**	149,477
Tata Consultancy Services Limited	**269,312**	(747,375)
TATA AIG General Insurance Co.	**31,400,820**	
Expense Incurred on our behalf		
TC Forex Services Limited (Formerly known as TATA Capital Forex Ltd.)	-	7,632,246
Corporate Guarntee Fees Paid		
Thomas Cook India	**101,781**	-
Balances as at the year end		
Deposit Receivable		
Tata Sons Limited	-	3,390,000
Tata Asset Management Limited	-	29,819
TRIL Infopark Limited	-	(46,675)
Peepul Tree Properties Limited	-	-
Outstanding balances		

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Outstanding payables			
Ultimate Holding Company			
Thomas Cook (India) Limited			
Rent Payable (Net of TDS)	**1,717,078**		
Rent Payable Provision (Net of TDS)	**1,082,376**		
Corporate Guarntee Fees Payable Provision (Net of TDS)	**91,603**		
Loan Payable			
Holding Company			
TATA Capital Limited	-	115,000,000	112,500,000
TC Tours Limited	**111,683,826**	-	-
Other Financial Liabilities			
Interest Payable to related party			
ICD - Interest payable			
TATA Capital Limited		756,854	-
TC Tours Limited	**2,389,587**	-	-
Total payables to related parties	**116,964,470**	**115,756,854**	**112,500,000**

TC Travel Services Limited

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Notes forming part of the Standalone Financial Statements *(Continued)*

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

22 Related Party Transactions *(Continued)*

(e) (iii) Transactions with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties: *(Continued)*

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Trade receivables			
Acme Living Solutions Private Limited	-	-	32,058
Automotive Stampings and Assemblies Limited	-	6,359	198,478
Dharamshala Ropeway Limited	-	66,197	122,584
Gurgaon Realtech Limited	-	106,333	-
Hampi Expressways Private Limited	-	161,179	228,810
Infiniti Retail Limited	-	2,648,546	1,085,871
International Infrabuild Private. Limited	-	190,059	-
Manali Ropeways Limited.	-	52,910	-
MIKADO REALTORS Private Limited	-	5,396	-
Qubit Investment Private Limited	-	241,553	-
Tata Capital Housing Finance Limited	-	935,256	442,644
Tata Advanced Materials Limited	-	4,154,736	3,443,018
Tata AIG General Insurance Company Limited	-	63,017	1,492,579
Tata Autocomp Systems Limited	-	9,939,373	9,288,690
Tata Business Support Services Limited	-	3,641,064	6,253,122
Tata Capital Limited	-	739,659	309,231
Tata Capital Financial Services Limited	-	3,858,373	5,430,314
TC Forex Services Limited (Formerly known as TATA Capital Forex Ltd.)	172,732	192,840	80,802
Taj Air Metrojet Aviation Limited	-	-	305,444
Tata Cleantech Capital Limited	-	557,051	40,578
Tata Consultancy Services Limited	-	13,086,201	22,064,021
Tata Consulting Engineers Limited	-	1,044,673	13,276,422
Tata Industrial Services Limited	-	342,285	1,798,922
Tata Industries Limited	-	883,228	503,641
Tata International Limited	-	22,474	143,148
Tata Investment Corporation Limited	-	9,801	9,801
Tata Petrodyne Limited	-	18,250	18,250
Tata Realty and Infrastructure Limited	-	791,380	1,316,464
Tata Securities Limited	-	250,595	806,803
Tata Sons Limited	-	10,908,725	-
Tata Teleservices Limited	-	102,910	814,057
Tata Toyo Radiator Limited	-	739,573	4,238,150
TRIF Amritsar Projects Limited	-	75,355	419,778
TRIF Kochi Project Private Limited	-	4,155	416,648
TRIF Real Estate And Development Limited	-	65,221	251,720
TRIL Constructions Limited	-	112,103	295,122
TRIL Roads Private Limited	-	390,644	227,692
Total receivables from related parties	**172,732**	**56,407,474**	**75,354,862**

Loans to/from related parties

Particulars	31 March, 2018	31 March, 2017	01 April, 2016
Loan from related party			
TATA Capital Limited			
Beginning of the year	**115,000,000**	112,500,000	65,000,000
Loan received	**87,500,000**	175,000,000	450,000,000
Loan repaid	**202,500,000**	172,500,000	402,500,000
Interest charged	**5,475,317**	10,541,684	7,059,966
Interest Paid (Net of TDS)	**(4,927,255)**	(8,730,663)	705,997
	-	**115,000,000**	**112,500,000**
TC Tours Limited			
Beginning of the year	-	-	-
Loan received	**140,183,826**	-	-
Loan repaid	**28,500,000**	-	-
Interest charged	**4,460,358**	-	-
Interest Paid (Net of TDS)	**(1,679,326)**	-	-
			-
End of the year	**111,683,826**	-	-

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(All amounts in INR , unless otherwise stated)

23 First-time adoption of Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP or Indian GAAP). An explanation of how the transition from Previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exemptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

a) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

(a) Estimates

"An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP."

B. Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Notes forming part of the Standalone Financial Statements *(Continued)*

for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

23 First-time adoption of Ind AS *(Continued)*

Reconciliation of Balance sheet as at date of transition (1st April, 2016)

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind As adjustment	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		5,662,425	-	5,662,425
Other intangible Assets		111,582	-	111,582
Other intangible Assets under development		-	-	-
- Other financial assets (non current)	A	3,564,740	(405,597)	3,970,337
Non Current Tax assets		31,905,462	-	31,905,462
Total non-current assets (A)		**41,244,209**	**(405,597)**	**41,649,806**
Current assets				
- Trade receivables	A	204,940,824	(9,002,844)	213,943,668
- Cash and cash equivalents		15,370,075	-	15,370,075
- Other financial assets	A	16,830,738	(5,464,457)	22,295,195
Other current assets	A	12,534,437	5,870,054	6,664,383
Total current assets (B)		**249,676,074**	**(8,597,247)**	**258,273,321**
TOTAL ASSETS (A+B)		**290,920,283**	**(9,002,844)**	**299,923,127**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital		250,000,000	-	250,000,000
Reserve and surplus		(194,215,604)	-	(194,215,604)
Total Equity (C)		**55,784,396**	**-**	**55,784,396**
Non-current liabilities				
Employee Benefit Obligations	A	3,570,394	116,042	3,454,352
Other non-current liabilities	A	1,017,478	(1,314,940)	2,332,418
Total non-current liabilities (D)		**4,587,872**	**(1,198,898)**	**5,786,770**
Current liabilities				
Financial liabilities				
- Borrowings		112,500,000	-	112,500,000
- Trade payables	A	101,056,670	44,714,127	56,342,543
- Other financial liabilities	A	-	(2,374,085)	2,374,085
Employee Benefit Payable	A	4,822,012	(116,042)	4,938,054
Other current liabilities	A	12,169,333	(50,027,946)	62,197,278
Total current liabilities (E)		**230,548,015**	**(7,803,946)**	**238,351,960**
TOTAL LIABILITY (C+D+E)		**290,920,283**	**(9,002,844)**	**299,923,127**

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Chartered Accountants

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23 First-time adoption of Ind AS *(Continued)*

Reconciliation of Balancesheet as at date of transition (31 March, 2017)

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind As Adjustment	IND As
ASSETS				
Non-current assets				
Property, plant and equipment		5,624,527	-	5,624,527
Other intangible Assets		-	-	-
Other intangible Assets under development		1,600,000	-	1,600,000
Other financial assets (non current)	A	3,564,740	3,254,655	310,085
Non Current Tax assets		30,496,600	-	30,496,600
Total non-current assets (A)		**41,285,867**	**3,254,655**	**38,031,212**
Current assets				
- Trade receivables	A	183,456,279	(4,619,276)	188,075,555
- Cash and cash equivalents		20,365,502	-	20,365,502
- Other financial assets	A	12,375,442	(8,907,791)	21,283,233
Other current assets	A	13,061,809	5,653,138	7,408,673
Total current assets (B)		**229,259,032**	**(7,873,929)**	**237,132,963**
TOTAL ASSETS (A+B)		**270,544,899**	**(4,619,274)**	**275,164,175**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital		250,000,000	-	250,000,000
Reserve and surplus		(220,112,369)	-	(220,112,369)
Total Equity (C)		**29,887,631**	**-**	**29,887,631**
Non-current liabilities				
Employee Benefit Obligations	A	3,091,891	3,091,891	-
Other non-current liabilities		7,925,285	5,047,285	2,878,000
Total non-current liabilities (D)		**11,017,176**	**8,139,176**	**2,878,000**
Current liabilities				
Financial liabilities				
- Borrowings		115,000,000	-	115,000,000
- Trade payables		90,032,211	30,029,530	60,002,681
- Other financial liabilities		756,854	-	756,854
Employee Benefit Payable	A	2,866,173	(3,082,346)	5,948,519
Other current liabilities	A	21,432,716	(39,705,635)	61,138,351
Total current liabilities (E)		**230,087,954**	**(12,758,451)**	**242,846,405**
TOTAL LIABILITY (C+D+E)		**270,992,761**	**(4,619,274)**	**275,612,035**

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23 First-time adoption of Ind AS *(Continued)*

Reconciliation of total comprehensive income for the year ended 31 March, 2017

Particulars	Notes to first time adoption	Previous GAAP	Ind As Adjustment	IND As
Income				
Revenue from operations	A	87,103,029	(4,027,628)	91,130,657
Other income	A	4,027,828	4,027,628	-
Total income		**91,130,857**	-	**91,130,657**
Expenses				
Employee benefits expense	B	63,569,680	(223,930)	63,793,610
Finance Cost		12,091,982	-	12,091,982
Depreciation and amortisation expense		683,558	-	683,558
Other expenses		40,906,132	-	40,906,132
Total expenses		**117,251,352**	**(223,930)**	**117,475,282**
(Loss)/Profit before tax		(26,120,495)	223,930	(26,344,625)
Less : Tax expense				
Current tax		-	-	-
Deferred tax		-	-	-
Total tax expenses				
Loss for the year		**(26,120,495)**	**223,930**	**(26,344,625)**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	B	-	(223,930)	223,930
Income tax relating to items that will not be reclassified to profit or loss		-	-	-
Total other comprehensive income for the year, net of taxes (B)		-	(223,930)	**223,930**
Total comprehensive income for the year (A+B)		**(26,120,495)**		**(26,120,695)**

Impact of Ind AS adoption on the statement of cash flow for the year ended March 31, 2017

Particulars	Notes to first time adoption	Restated Previous GAAP	Ind AS Adjustment	Ind AS
Net cash flow from operating activity		14,414,334	-	14,414,334
Net cash flow from Investing activity		(2,134,078)	-	(2,134,078)
Net cash flow from financing activity		(7,284,829)	-	(7,284,829)
Net Increase / (Decrease) in cash and cash equivalent		**4,995,427**	-	**4,995,427**
Cash and cash equivalent as at April 1, 2016		15,370,075	-	15,370,075
Cash and cash equivalent as at March 31, 2017		20,365,502	-	20,365,502

Explanations for reconciliation of Balance Sheet as previously reported under Previous GAAP to Ind AS :

Note A: The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Note B:
In addition, as per Ind AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the Statement of Profit and Loss under previous GAAP.

Cash flow statement
There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

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Notes forming part of the Standalone Financial Statements *(Continued)*
for the year ended 31 March 2018

(All amounts in INR , unless otherwise stated)

24 Earnings/(Loss) Per Share

Particulars	31 March 2018	31 March 2017
A. Net Loss for the year	**(18,951,236)**	(26,120,696)
B. Weighted average number of equity shares outstanding during the year	**25,000,000**	25,000,000
C. Weighted average number of preference shares outstanding during the year	-	-
Basic and diluted earnings per share		
D. Basic earnings per share (A/B)	**(0.76)**	(1.04)
D. Diluted earnings per share (A/B+C)	**(0.76)**	(1.04)

25 Contingent liabilities:

There are no contingent liabilities as at 31 March 2018 (31 March 2017: Nil)

26 Commitments

There are no capital or other commitments made by the Company as at 31 March 2018 (31 March 2017: Rs.2,100,000/-)

27 Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, following are the details of dues to Micro and Small Enterprises:

Particulars	31-Mar-18	31-Mar-17
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
– Principal	-	-
– Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

28 Leases

Office premises are obtained on operating lease. There are no restrictions imposed by lease arrangements. There are no subleases. There is no contingent rent recognized in statement of profit and loss.

Amount recongnised in Profit & Loss

Particulars	31 March, 2018	31 March, 2017
(a) Lease payment for the year	15,409,301	18,828,045

29 Segment Reporting

The Company is in the business of providing travel and related services to its corporate customers which is considered by management as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

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Notes forming part of the Standalone Financial Statements *(Continued)*
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(All amounts in INR , unless otherwise stated)

30 Events occurring after the reporting period

The Company evaluated all events or transactions that occurred after March 31,2018 through August 23, 2018, the date the Company issued these standalone financial statements. During this period, the Company did not have any material recognizable subsequent events.

31 Others

Figures for the previous year have been audited by a firm of chartered accountants other than B S R & Co LLP, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by B S R & Co LLP.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B.H. Shrugpalo

Partner
Membership No: 042070

Place: Mumbai
Date : 23rd August, 2018

For and on behalf of the Board of Directors
TC Travel Services Limited

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Brijesh Modi
Chief Financial Officer

Megha.PS.
Megha Sekharan
Company Secretary

TC Travel Services Limited Mumbai *